

DCS/AMAL/TL/R37/2962/2023-24

November 02, 2023

The Company Secretary,
MFL India Limited
94/4, UG/F, UG-9,
Village Patparganj,
Delhi, Delhi, 110091

Dear Sir,

Sub: Observation Letter regarding the Scheme of Reduction of Share Capital between MFL India Limited and its shareholders

We are in receipt of the Scheme of Reduction of Share Capital between MFL India Limited and its shareholders filed by MFL India Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 94(2) of SEBI (LODR) Regulations, 2015; SEBI vide its letter dated November 01, 2023, has inter alia given the following comment(s) on the Scheme of Reduction:

- a) "Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and Shareholders, while seeking approval of the scheme."
- b) "Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the Listed Company and the Stock Exchanges."
- c) "Company shall ensure compliance with the SEBI Circulars issued from time to time."
- d) "The entities involved in the scheme shall duly comply with various provisions of the Circular."
- e) "Company is advised that the information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f) "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g) "Company is advised that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."
- h) "Company is advised to disclose precedent cases for such schemes of capital reduction, copies of balance sheet and P&L statements for last three financial years, reasons for delay in filing the scheme of SEBI and revised documents sought from the company after return of the scheme by SEBI i.e. report of committee of independent directors, report of audit committee, draft scheme of reduction of capital, auditor's certificate, valuation certificate issued by registered valuer and fairness opinion issued by the merchant banker, as a part of explanatory statement or notice or proposal

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accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013, so that public shareholders can make an informed decision in the matter.

- i) "Company is advised that the proposed Equity Shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
- j) "Company shall ensure that the 'Scheme' shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."
- k) "Company to ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- l) "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT."
- m) "Company is advised to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- n) "It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

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Please note that the aforesaid observations does not preclude the Company from complying with any other requirements. 175

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be is required to be served upon the Exchange seeking representations or objections if any.

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange's representations or objections if any, would be accepted and processed through the Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,


Prasad Bhilde
Senior Manager


Tanmayi Lele
Assistant Manager

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ANNEXURE - G

SCHEME OF REDUCTION OF CAPITAL

BETWEEN

MFL INDIA LIMITED

AND

ITS

SHAREHOLDERS

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Sl. No.	Particular
1	<p>PREAMBLE The Company is registered in the name of My Fair Lady Limited as on 28.11.1981 under the Companies Act, 1956, further its has been changed its name from My Fair Lady Limited to MFL India Limited and consequent the certificate of change of name has been issued by the Registrar of Company, New Delhi as on 5th day of May, 2011.</p> <p>Further the Company having its registered office at 94/4, UG-F, UG-9 Village Patparganj, Delhi- 110091 and is engaged in the business of:</p> <p>1. To Hire, Own, Acquire & Mantain Motor Vehicles, Airplanes, Reefar Trucks, Reefer Trailers, Reefer Vehicles, Reefer Containers, Generators & Other allied equipments, Ships, Barges, Towage Tugs, Offshore support Vessels ,Hovercrafts, Railways, Containers, Cranes, Forklifts, Reach Stakers, Loaders, Mining Machinery & Equipment, Multi Modal Transportation Systems, Excavators, Transit Mixers, Graders, Tippers, Tip- Trailers ,Container Trucks, Car & Two Wheeler Carriers, Trailers, Trucks, Other Material Handling Equipment, Allied Equipment, Loading & Unloading Equipment, HEMM & To establish Container Freight Stations, Inland Container Depots, Railway Lines / Tracks, Goods Sheds, Stockyards, Aerodromes & Airports, Workshops, Garages, Warehouses, Sheds ,Distribution Centers, Cold Storages, Cold Rooms as the demand may be which it may let out, hire, rent, charter, & lease etc for generation of revenue & Carrying on of its Logistics Business.</p> <p>As on 31st March, 2023, the Company has a paid up capital of Rs. 36,02,92,000/- divided into 36,02,92,000 equity shares of Re. 1/- each fully paid up.</p> <p>As per last audited balance sheet as at 31st March, 2023, the Company has a securities premium amount of Rs...Nil and accumulated losses of as on 31st March, 2023 is Rs. 35,52,41,200/-.</p>

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For MFL India Limited

Director

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		<p>The Board of director of the Company propose to reduce share capital in accordance with section 52, Sections 66, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder ("the Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) to reflects its assets and liabilities at their real value and maximize its business value.</p>
2.	<p>GENERAL</p> <p>I.</p> <p>DEFINATIONS</p>	<p>In this scheme unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:</p> <p>A. 'Act' means the Companies Act, 2013 as applicable, and the rules and regulations made thereunder and will include any statutory modifications, re-enactments and/or amendments thereof from time to time.</p> <p>B. "Appropriate Authority" means any government, statutory, regulatory, departmental or public body or authority within the territories of Delhi, including Registrar of Companies, NCT of Delhi & Haryana, New Delhi.</p> <p>C. 'Board' means Board of Directors of the Company, as the case may be.</p> <p>D. 'Company' means "MFL India Limited".</p> <p>E. 'Appointed Date' means April, 01 2022 or such other date as may be approved by Hon'ble NCLT of jurisdiction of New Delhi.</p> <p>F. 'Effective date' means the last date of the following dates or such other dates as the Company may decided namely:</p> <p>The date on which certified copy of the Order Hon'ble NCLT of jurisdiction of New Delhi sanctioning this scheme is/ are field with the Registrar of Companies, NCT of Delhi or the date on which last of the consents approvals / sanctions and / or orders of this scheme have been obtained whichever is later.</p> <p>G. 'Record Date' means the date (s) to be decided by the Board of Director or a Committee for a purpose of giving effect to the orders of the Hon'ble NCLT sanctioning the scheme.</p> <p>H. "Registrar of Companies" means Registrar of Companies, NCT of Delhi & Haryana.</p> <p>I. 'This Scheme' or 'The Scheme' or 'Scheme' means this scheme of arrangement for reduction of capital as provided here in its present form or with such alterations / modifications as may be approved or imposed or directed by the any of the Regulatory Authorities and may be approved by</p>

For MFL India Limited

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Director

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		<p>Hon'ble NCLT of jurisdiction of New Delhi.</p> <p>J. 'NCLT' means the National Company law Tribunal, New Delhi.</p> <p>K. 'Equity Shares' means fully paid up equity shares of Re. 1/- each issued by the Company till the effective date and post effective date.</p> <p>L. 'Shareholders' means a person holding equity shares, who is registered as a member in the Register of members of the Company.</p> <p>M. 'Stock Exchange' means the Bombay Stock Exchanges or National Stock Exchange on which the shares of the Company are listed.</p> <p>All terms and words not defined in the scheme shall, unless repugnant or contrary to the context or meaning thereof have the same meaning ascribed to them under the Act, Securities Contract Regulation Act, 1956, Securities and Exchange Board of India Act, 1992, Depositories Act, 1996, Listing Agreement, SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015 and other applicable laws, rules, regulations, bye laws, as the case may be or any statutory modification or re-enactment thereof from time to time.</p>																
3.	Share Capital	<p>A. The Present share capital structure of the Company as on 31st March, 2023 are as follows;</p> <table border="1"> <thead> <tr> <th>Authorized Share Capital</th> <th>Am. In Rs. as on 31.03.2023</th> </tr> </thead> <tbody> <tr> <td>37,00,00,000 equity shares of Re. 1/- each</td> <td>37,00,00,000</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <th>Issued Share Capital</th> <td></td> </tr> <tr> <td>36,02,92,000 equity shares of Re. 1/- each</td> <td>36,02,92,000</td> </tr> <tr> <td></td> <td></td> </tr> <tr> <th>Subscribed and fully Paid up Shares Capital</th> <td></td> </tr> <tr> <td>36,02,92,000 equity shares of Re. 1/- each</td> <td>36,02,92,000</td> </tr> </tbody> </table>	Authorized Share Capital	Am. In Rs. as on 31.03.2023	37,00,00,000 equity shares of Re. 1/- each	37,00,00,000			Issued Share Capital		36,02,92,000 equity shares of Re. 1/- each	36,02,92,000			Subscribed and fully Paid up Shares Capital		36,02,92,000 equity shares of Re. 1/- each	36,02,92,000
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36,02,92,000 equity shares of Re. 1/- each	36,02,92,000																	
4.	Financial Performance of the Company	<p>As per Audited Financial Statement as on 31.03.2023 of the Company the financial are summarized as under:</p>																

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		Particulars	Amt. in Rs. 31.03.2023										
		Paid up Capital	36,02,92,000										
		Reserves & Surplus	0										
		a. General Reserve	0										
		b. Capital Reserve	0										
		c. Securities Premium	0										
		Unsecured Loans	15,00,00,000										
		Current Liabilities	2,78,74,749										
		Current Assets	10,05,11,824										
		Fixed Assets (Net) & Security Deposit	8,24,13,726										
		Revenue	13,80,14,879										
		Expenditure	13,79,74,453										
		Profit of the Year	40,425										
		Accumulated Losses	35,52,41,200										
5.	Reduction and Reorganization of Capital and Securities Premium Account of the Company	<p>I. Notwithstanding anything contained in section 52 and section 66 and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder ("the Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Article 61 of the Articles of Association of the Company.</p> <p>a. Upon the scheme coming into effect from the Appointed date:</p> <p>(i) The Issued, subscribed, and paid-up Capital of the Company shall be reduced to the extent of the Rs. 3,60,29,200/- and & reserve and surplus including securities premium Account shall be reduced to Rs. 3,09,78,400/-</p> <p>(ii) Upon the coming into effect of the scheme, the share capital of the company will be reduced and reorganized the paid-up share capital of the company from Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/ (divided into 3,60,29,200 Equity shares of Re. 1/- each) and the paid-up share capital, securities premium of the company shall stand as follows:</p> <table border="1"> <tbody> <tr> <td>Paid up Share Capital</td> <td>3,60,29,200</td> </tr> <tr> <td>Securities Premium Account</td> <td>Nil</td> </tr> <tr> <td>Capital Reserve</td> <td>Nil</td> </tr> <tr> <td>General Reserve</td> <td>NIL</td> </tr> <tr> <td>Accumulated Losses</td> <td>3,09,78,400</td> </tr> </tbody> </table> <p>(iii) On the scheme becoming effective, the equity shareholders holding 10 equity shares of Re. 1/- each shall hold 1 equity share of Re 1 each and no</p>		Paid up Share Capital	3,60,29,200	Securities Premium Account	Nil	Capital Reserve	Nil	General Reserve	NIL	Accumulated Losses	3,09,78,400
Paid up Share Capital	3,60,29,200												
Securities Premium Account	Nil												
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For MFL India Limited

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Director

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		<p>fractional shares will be issued to the share holders in the reduction of the share capital as detailed in connection with the scheme.</p> <p>(iv) Those Equity shareholders of the Company who continue to hold their equity shares in physical form as on the record date shall be issued fresh shares certificate consequent upon the reorganization of the capital. Their original shares certificate shall be deemed to be cancelled and non-existent and not tradable on any stock exchange or otherwise from and after the record date. The new share certificates of the company issued pursuant to this scheme shall be delivered to such equity shareholders who hold their equity shares in physical form by speed post, courier, registered post, irrespective of whether such equity shares holders surrender their old share certificates or not. The Stock exchange shall also be intimated on the record date of the non-tradability of the original share certificates so that they can intimate the company members by public notice displayed on the notice board and through electronic means.</p> <p>(v) a. Upon the scheme coming into effect with the above reduction of share capital of the Company in accordance with above clauses then 10 equity shares having Re. 1/- each shall be reorganized into 1 equity shares of Re. 1/- fully paid up.</p> <p>b. The reduction in the share capital account and securities premium account of the company shall be effected as an integral part of the scheme upon the order of the Hon'ble NCLT sanctioning the scheme coming into effect notwithstanding anything contained in the provisions of sections 52, Sections 66, and other applicable provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder ("the Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Article 61 of the Articles of Association of the Company and such an order shall be deemed to be also the order under section 66 of the Act for the purpose of confirming the reduction.</p> <p>c. The provisions of this section shall operate notwithstanding anything to the contrary in this scheme.</p>
6.	<p>Background and reasons for reduction of share capital</p>	<p>a. The Company was engaged in the business of hire, own, acquire & maintain motor vehicles, airplanes, reefer trucks, reefer trailers, reefer vehicles, reefer containers, generators & other allied equipments, ships, barges, towage tugs, offshore support vessels, hovercrafts, railways, containers, cranes, forklifts, reach stackers, loaders, mining machinery & equipment, multi modal transportation systems, excavators, transit mixers, graders, tippers, tip- trailers, container trucks, car & two wheeler carriers, trailers, trucks, other material handling equipment, allied equipment, loading & unloading equipment, HEMM & to establish container freight stations, inland</p>

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For MFL India Limited

Director

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		<p>container depots, railway lines / tracks, goods sheds, stockyards, aerodromes & airports, workshops, garages, warehouses, sheds ,distribution centers, cold storages, cold rooms as the demand may be which it may let out, hire, rent, charter, & lease etc for generation of revenue & carrying on of its logistics business.</p> <p>b. The company is running the fleet of Trucks on wholesale freight basis, due to the decline in the demand the company has suffered the losses and consequent upon such losses the company has failed to pay the EMI of the lenders, resultantly the company account has been declared as NPA and the lender has recalled their facilities and They have taken symbolic possession of the assets of the company mortgaged with them and have communicated their stand to the debtors of the company. The business of the company has been discontinued/disrupted because of the above said affects. After the said repossession of the assets, the company has generated cash losses and the net worth of the company has been fully eroded, and current liabilities are substantially higher than current assets.</p> <p>c. The directors of the company have chalk out the plan for the revival of the business of the company and for the purpose they are in negotiation with the number of strategic investors to make the investments in the company. However, utmost all the investors have made the conditions that the company should write off its losses by reduction of its share capital so that the assets of the company should be properly represented in the company's financial statement. After the reduction of the capital, the company is planning to raise the capital of the company so that the business of the company can be bring back on the path of success and value of the stake holders of the company can be enhanced on optimum level.</p> <p>d. The reduction of share capital would cause the balance sheet to bring in true and fair representation of the Company by the available assets of the Company and reflect the real financial position of the Company.</p> <p>e. The reduction of capital does not involve any cash out flow as the shares are getting extinguished against the debit balance of profit and loss account.</p> <p>f. The reduction of share capital would place the company in a position to pay dividend in future or raise further capital in future.</p>
7.	<p>General Terms and Conditions Applicable to the Entire Scheme</p>	<p>The scheme confirms to all rules, regulations, guidelines etc. framed and issued by Securities Exchange Board of India pursuant to Securities and Exchange Board of India Act, 1992 and Securities Contract Regulation Act, 1956.</p>

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For MFL India Limited

Director

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8.	Effect of the Scheme	(i) Upon sanction of this scheme, the Authorized shares capital of the Company shall not be changed.				
		(ii) The proposed reorganized / restructuring of capital by reduction of paid-up capital against accumulated losses shall be reflected in the books of accounts of the Company, on the effective date, in the following manner:				
		Particular	Capital Prior to the scheme of reduction as on 31st March, 2023	Reduction of Capital against the losses as per the Scheme	Capital post reduction of capital	
		Number of Equity Shares	36,02,92,000	32,42,62,800	3,60,29,200	
		Calls in arrears on Equity Shares	nil	nil	nil	
		Value of Each Share	Re. 1/-	Re. 1/-	Re. 1/-	
		Total Paid up Capital	36,02,92,000	32,42,62,800	3,60,29,200	
		General Reserve	nil	nil	nil	
		Capital Reserve	nil	nil	nil	
		Securities Premium	nil	nil	nil	
		Accumulated Losses	35,52,41,200	32,42,62,800	3,09,78,400	
		(iii) The shareholding pattern of the Company, upon the approval of the scheme shall be in the following manner:				
		Particular	Shareholding prior to the scheme of reduction	% of total shareholding of	Shareholding after reduction of capital	% of total shareholding
		Promoter	15,12,602	0.4198	1,51,260	0.4198
		Public	35,87,79,398	99.5802	3,58,77,940	99.5802
		Total	36,02,92,000	100	3,60,29,200	100
		(iv) a. Since the proposed reduction of capital neither involves the diminution of any liability in respect of unpaid share capital nor the payment to any shareholder of any paid up share capital, there is no outflow of / payout of funds from the company and hence the interests of the creditors is not adversely affected and therefore it is submitted that the provisions of section 66 (2) of the Companies Act, 2013 do not apply in the instant case and hence consent of the creditors is not required as stipulated under section 66 (2) of the Companies Act, 2013.				
		b. the reasons for reduction of share capital are intended for the benefit of all the stake holders including creditors. It is submitted that the requirement of consent of creditors otherwise under section 66 (2) of the Companies				

For MFL India Limited

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Director

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	<p>Act, 2013 is also not required on this reason also.</p> <p>(v) The form of the minute proposed to be registered under Companies Act, 2013 is as follows:</p> <p>“The authorized share capital of the company is herewith Rs. 37,00,00,000/- (Rs. Thirty Seven Crore Only) divided into 37,00,00,000 equity shares of Re. 1/- each and paid up share capital is Rs. 3,60,29,200/- (Rs. Three Crore Sixty Lakh Twenty Nine Thousand two Hundred Only) divided into 3,60,29,200 equity shares of Re. 1/- each fully paid up which has been to be reduced from Rs. 36,02,92,000/- (Rs. Thirty Six Crore Two Lakh Ninety Two Thousand Only) divided into 36,02,92,000 equity shares of Re. 1/- each and the securities premium account, General Reserve and Capital Reserve account is henceforth Rs. NIL reduced from Rs. Nil to Rs. Nil. At the data of this registration of this minute 3,60,29,200 equity shares numbered 01 to 3,60,29,200 have been issued and are deemed to be Re. 1/- paid up.</p> <p>(vi) The Company being a Listed company on BSE Ltd will comply with the formalities for designating BSE as the stock exchange for the purpose of coordinating with SEBI for clearance of the scheme of reduction of capital and seek approval of the BSE Ltd as required under Regulation 37 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.</p> <p>(vii) The scheme is only for reduction of capital of the company and it does not envisage transfer or vesting of any properties and / or liabilities to or in favor of the Company.</p> <p>(viii) The scheme does not involve any conveyance or transfer of any property and consequently, the order of the Hon'ble NCLT of New Delhi approving the scheme will not attract any stamp duty under the Delhi Stamp Act or Indian Stamp Act in this regard.</p> <p>The Company shall make all applications / petitions as may be required under section 52 and Section 66 of the Companies Act, 2013 read with the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013 to the Hon'ble NCLT of judicature of New Delhi for obtaining the sanction of the Court of this scheme of reduction of capital under section 52 and 66 of the Companies Act, 2013 read with the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013 and for such orders for carrying this scheme into effect.</p>
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[Handwritten Signature]

For MFL India Limited
[Handwritten Signature]
 Director

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9	Conditionality of the Scheme	<p>The scheme is conditional upon and subject to :</p> <p>a. The scheme being agreed to by the respective requisite majorities of members of the company as required under the Act and the requisite sanction and orders of the Hon'ble NCLT of Judicature at New Delhi or of such other authority having jurisdiction under law being obtained.</p> <p>b. The requisite sanctions and approvals including but not limited to in principal approvals, sanctions of any governmental authority as may be required by law in respect of this scheme being obtained; and</p> <p>c. The company needs to obtain share holders approval as required under section 52 of the Companies Act, 2013 by passing a special resolution at its shareholders meeting for reduction of share capital of the Company.</p> <p>d. The certified copy of the above order of the Hon'ble NCLT of Judicature at New Delhi sanctioning this scheme being filed with the Registrar of Companies, NCT of Delhi, New Delhi.</p>
10	Cost, Charges and Expenses	<p>All present and future costs, charges, levies, duties and expenses in relation to or in connection with or incidental to the scheme or the implementation thereof shall be borne by the Company and all of the above costs (including stamp duty, if any) shall be treated as costs relating to the scheme.</p>
11.	Effect of Non-receipt of approval sanctions	<p>a. in the event of this scheme failing to take effect finally this scheme shall become null and void and in that event no rights and liabilities what so ever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person.</p> <p>b. If any part of this scheme hereof is invalid, ruled illegal by any court of competent jurisdiction or unenforceable under present or future laws, then it is the intention of the parties that such part shall be severable from the remainder of the scheme and the scheme shall not be affected thereby, unless the deletion of such part shall cause this scheme to become materially adverse to any party, in which case the parties shall attempt to bring about a modification in the scheme, as will best preserve for the parties the benefits and obligations of the scheme including but not limited to such part.</p>
12.	Impact of the scheme on Employees and Workers	<p>If approved the reduction shall not have any impact on the employees / workers of the company and generally they may be benefited since true financial position of the Company would be improved and made clear.</p>

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Kor MFL India Limited
Director

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13	Impact of the Scheme on Creditors	The scheme of reduction will not affect any of the company's creditors. The scheme does not provide compromise or arrangement with the creditors and shareholders' except as provided in the scheme. The scheme will help the revival of the company which will be in the interest of the creditors and shareholders.
14	Legal proceedings	All legal or other proceeding by or against the company pending and / arising on or before effective date relating to the said company including their property, rights, powers, liabilities, debts obligations and duties of the company shall be continued and be enforced by or against company as the case may be.
15	Accounting Treatment	<p>a. The company will comply with all relevant accounting policies and accounting standards as regards accounting for the reduction of capital and writing off the losses.</p> <p>b. Securities premium amount of Rs. NIL, General Reserve of Rs. NIL Capital Reserve of Rs NIL and written off share capital amount to the extent of 32,42,62,800/- will be utilized to write off the losses. The Company will pass appropriate entries for all notional adjustment in prudent and commercially acceptable manner.</p>
16	Compliance	<p>a. The consent of the members of the Company to this Scheme shall be taken through a special resolution as required under the provisions of Section 66 of the Companies Act, 2013.</p> <p>b. The Scheme, if sanctioned, shall be in compliance with Securities and Exchange Board of India ("SEBI") Act, and the Rules and Regulations made and the Circulars issued thereunder.</p>
17	Enforcement Of Contract, Deeds And Bonds	<p>a. Save and except as expressly provided in this Scheme, nothing contained in the Scheme shall affect any contract, deed, bond, agreement and any other instrument of whatsoever nature to which the Company is a Party and which is subsisting or having effect on or immediately before the 'Effective Date' and shall remain in full force and effect against or in favor of the Company and may be enforced fully and effectively.</p> <p>b. The Scheme shall not affect, in any manner, the rights and interest of creditors and employees of the Company.</p>
18	Application To NCLT	The Company shall, with all reasonable dispatch, make applications under Section 66 read with National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and any other provisions applicable for sanction of this Scheme under the provisions of the Act.

For MFL India Limited

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Director

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19	Modification /Amendments Of The Scheme	The Company by its Board may assent to any modification(s) or amendment(s) including withdrawal / termination to this Scheme or to any conditions or limitations that NCLT and / or any Appropriate Authority under law may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the Board. The Board be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith.
20	Severability	If any part / provision of this Scheme hereof is found to be invalid, ruled illegal by any court of competent jurisdiction or unworkable for any reason whatsoever or unenforceable under the present or future Laws, then subject to the decision of the Company, such part shall be severable from the remainder of this Scheme and shall not affect the validity or implementation of the other parts and / or provisions of this Scheme.

For MFL India Limited



Director

TRUE COPY



38th
ANNUAL REPORT
2020-2021

MFL INDIA LIMITED



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

CORPORATE INFORMATION

CIN: L63040DL1981PLC012730

BOARD OF DIRECTORS

Mr. Anil Thukral	DIN: 01168540 (Managing Director)
Mr. Syed Zameer Ulla	DIN: 07486691 (Professional Director)
Ms. Pratiksha Anant Patil	DIN: 07887358 (Independent Director)
Mr. Nawab Khan	DIN: 08065674 (Independent Director)

Chief Financial Officer

Mr. Khemraj

Auditors

M/s V.K. Sehgal & Associates

Chartered Accountants
New Delhi

Internal Auditors

M/s APJ & Co.
Chartered Accountants
Gurgaon

Secretarial Auditor

M/s Manoj Purvey & Associates
Company Secretaries
New Delhi

Bankers

State Bank of India

Share Transfer Agents

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**MFL India Limited**

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Link Intime India Pvt. Ltd.
A-44, Community Centre, 2ndFloor,

Naraina Industrial Area, Phase-I

New Delhi-1100028
Tel-91-11-4140592-93-94
Fax-91-11-41410591

For Dematerialisation of Shares

ISIN NO. INE244CO1012

Registered Office

94/4, UG-F, UG-9,
Village- Patparganj, Delhi-110091
Email-mfldelhi81@gmail.com
Website- www.mflindia.co.in

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091



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NOTICE

Notice is hereby given that 38th Annual General Meeting of the members of **MFL India Limited** will be held on Thursday, 30th September, 2021 at 09:00 A.M. at G-1, Ground Floor, Well King Towers, 94/4, Main Market, Patparganj, Mayur Vihar, Phase-I, Delhi-110091 to transact the following businesses.

Ordinary Business:

Item No.1

To receive, and adoption of Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021 including Balance Sheet, Statement of Profit & Loss, Cash Flow Statement and the Reports of Auditors and Directors thereon.

Item No. 2

To appoint a Director in place of Mr. Nawab Khan (DIN: 08065674) who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business:

Reduction of Share Capital of the Company:

3. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 52, Sections 66, and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (“the Rules”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Article 61 of the Articles of Association of the Company and subject to confirmation by the Hon'ble National Company Law Tribunal, New Delhi Bench (“NCLT”), approvals as may be required from the appropriate authorities and the consent of the creditors as may be required, the approval of the members be and is hereby accorded to the Scheme of reduction of capital (“the Scheme”) of the Company by way of reduction of paid- up share capital of the Company from Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each, consequently total issued, subscribed and paid up share capital of the company shall be reduced to Rs. 3,60,29,200 and such cumulative reduction would be effected by writing off the Accumulated Losses of Rs 32,42,62,800/- on the Effective Date of the draft Scheme of Reduction of capital (“Scheme”).”

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“RESOLVED FURTHER THAT the Scheme providing reduction of share capital of the Company as submitted to the BSE Limited, designated stock exchange for observations and / or Securities and Exchange Board of India, be and is hereby approved.”

“RESOLVED FURTHER THAT effective from the date of the confirmation of the Scheme by NCLT, New Delhi and all other approvals from any other appropriate authorities as may be required, the consent and approval of the members be and is hereby accorded to the reduction of the paid- up share capital as it stands on the date of such confirmation is Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each.

“RESOLVED FURTHER THAT subject to confirmation of the Scheme by NCLT, New Delhi Bench, and all other approvals from any other appropriate authorities, the Company be and is hereby not required to add the words “And Reduced” to its name subsequent to such reduction of capital of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (“the Board”), the Chief Financial Officer and the Company Secretary be and is hereby authorized to take all necessary steps and do all such acts, deeds, matters and things, as they may, in including issuing any directions for settling any question or doubt or difficulty whatsoever that may arise, for the purpose of giving effect to the reduction of capital, or to any modification thereof without being required to seek any further consent or approval of the members or otherwise.”

“RESOLVED FURTHER THAT Mr. Anil Thukral, Managing Director and Mr. Khemraj, Chief Financial Officer or Ms. Kanika Gangal, Company Secretary & Compliance Officer be and are hereby authorized severally to take all necessary steps for effecting the said Scheme of reduction of capital of the Company, including but not limited to:

- a. Finalizing, amending and settling the draft scheme, application / petition, and assent to such alterations, conditions and modifications, if any, or effect any other modification or amendment as the Board of Directors of the Company may consider necessary or desirable to give effect to the proposed reduction of share capital;
- b. Filing any affidavit, petition, pleading, application, form or reports before NCLT or any other statutory or regulatory authority including the concerned stock exchanges, SEBI, the Registrar of Companies, the Regional Director or such other authority as may be required in connection with the proposed reduction of capital or its sanction thereof and to do all such acts and deeds as they may deem necessary in connection therewith and incidental thereto;
- c. Making such alterations and changes in the scheme, application to be made to NCLT, as the conditions / requirement imposed by NCLT, SEBI and/or any other statutory /regulatory authorities, as may be required, provided that prior approval of the Board shall be obtained for making any material changes in the said application.

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- d. Signing all applications, petitions, affidavits, undertakings, documents, letters relating to the proposed reduction of capital and represent the Company before the NCLT and any other authorities in relation to any matter relating to the proposed reduction of capital or delegate such authority to any other person through a valid power of attorney;
- e. To verify, sign, deal, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, undertake, record all deeds, declarations, instruments, vakalatnamas, applications, petitions, affidavits, objections, notices and writings whatsoever as may be usual, necessary, proper or expedient and all manner of documents, petitions, affidavits and applications under the applicable laws including Companies Act, 2013, and Rules made thereunder and other applicable laws/regulations in relation to the aforesaid matter and to represent the Company in all correspondences, matters and proceedings and any nature whatsoever in relation to the above;
- f. To authenticate any document, instrument, proceeding and record of the Company
- g. Obtaining the requisite approval and/or consents of the shareholders, secured lenders of the Company, bank, financial institutions and other regulatory authorities or entities or agencies as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps as may be required from time to time in that behalf.
- h. To engage any counsel, consultant firms, advocates, attorneys, pleaders, solicitors, valuers, auditors, accountants, registrars or any other one or more agencies, as may be required in relation to or in connection with the proposed reduction of share capital, on such terms and conditions as they may deem fit, finalize fees, terms and conditions of their appointment letter(s), furnish such information as may be required by them and also to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings and other related documents in favour of the concerned authorities, advocates or any one or more persons or firms as they may deem fit and to do all such acts, deeds and things as they may deem fit and as may be necessary in this regard.
- i. Incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them.
- j. Make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in this resolution.
- k. Consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent / required to be sent to concerned authorities on behalf of the Company
- l. To file requisite forms with the Registrar of Companies in connection with the proposed reduction of share capital during and after the process of sanction thereof



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m. Sign, execute and deliver such documents as may be necessary and do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect for the purpose of the above resolutions or to otherwise give effect to the transactions contemplated as aforesaid

n. To do all such acts and things and deal with all such matters and take all steps as may be necessary including any modification, if required, and do all such other acts, matters deeds and things necessary, proper or desirable in connection with or incidental to giving effect to the purposes of this Resolution.

o. To give such directions as they may think fit and proper, including directions for settling any questions or difficulties that may arise and to do all acts, deeds and tasks, as may be deemed necessary, expedient or proper to give effect to the proposed reduction of capital and for matters connected there with or incidental thereto.

“RESOLVED FURTHER THAT the Board be and is hereby authorized, in its absolute discretion, to bring into effect this resolution on such other terms and conditions as it may consider appropriate and to accept such other conditions and modifications as may be prescribed by the NCLT and other appropriate authorities while according their confirmation or consent to this resolution or to suspend, withdraw or revive the proposal for reduction of capital from time to time as may be specified by any statutory authority or as the Board may suo-moto decide.”

By order of Board of Directors
For MFL India Limited

Date: 04.09.2021

Place: Delhi

Mr. Anil Thukral
Managing Director
DIN: 01168540

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY MAY BE SEND IN THE FORM ENCLOSED AND IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY COMPLETE IN ALL RESPECT NOT LESS THAN 48 HOURS BEFORE THE MEETING. THE PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. A BLANK PROXY FORM IS ENCLOSED FOR USE, IF NECESSARY, BY THE MEMBER.

2. Shareholders are requested to promptly notify any change in their addresses.

3. The Register of Members and Share transfer books of the company shall remain closed from 24th September, 2021 to 30th September, 2021 (both days inclusive).

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4. Members/ Proxies should bring the attendance slips duly filled in for attending the meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

5. Member(s) can opt for only one mode of voting either physical voting at the annual general meeting, or voting through E- Voting/ Ballot. A member, who has voted through E-Voting mechanism, is not debarred from participating in the general meeting physical. However, he shall not be allowed to vote in the meeting again and his earlier vote (cast through e-means) shall be treated as final.

6. It will be appreciated that queries, if any, on accounts and operations of the company are sent to the registered office of the company ten days in advance of the meeting so that the information may be made readily available.

7. Electronic copy of the Annual Report for the financial year 2020-21 is being sent to the shareholders whose email address are registered with the company or depository participants for communication with the company.

The shareholders whose email is not registered with the company, the Annual Report is sent to them in permitted mode.

8. Members are requested to bring their copy of Annual Report to the Meeting.

9. Voting through electronic means;

(a) In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Service provided by Central Securities Depository Limited (CSDL).

(b) The instructions for e-voting are as under:

The instructions for members for voting electronically are as under:

In case of member's reliving- mail:

(I) Log on to the e-voting website www.evotingindia.com during the voting period

(i) Click on "Shareholders" tab.

(ii) Now, select the "COMPANY NAME" from the dropdown menu and click on "SUBMIT"

(iii) Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should



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enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.

(iv) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

(v) Now, fill up the following detail in the appropriate boxes:

For Members holding shares in Demat Form enter your 10 digit alpha-numeric *PAN said demat account or folio in dd/mm/yyyy format. The Dividend Bank Data as recorded in your demat account or in the company DOB Bank records for the said demat account or folio both demat shareholders as well as physical shareholders. Enter the Date of Birth as recorded in your demat account or in the company records for the Members who have not updated their PAN with the Company Depository Participant are requested to use the first two letters of your name and the sequence number in the PAN Field. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RAOOOOOOOO1 in the PAN Field. Sequence no. will be provided as S1 No in your address Label. # please enters any one of the details in order to low. In case both the details are not recorded with the depository or company Please enter the member id /folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT tab.

(vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members

(viii) Holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their low password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are legible to vote, provided that company opts for e'-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Click on <Company Name> on which you choose to vote.

(x) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution. Click on the "Resolutions File Link if you wish to view the entire Resolutions.

(xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly mode your vote.

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(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page. If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

(xiii) Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on [Https://www.evotingindia.co.in](https://www.evotingindia.co.in) and register themselves as Corporate. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to vary the same.

(xiv) In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) To 91. No. (xvii) Above to cast vote.

(B) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and E-voting manual available at www.evotingindia.co.in under help section or write an email to Helpdesk.evoting@cdslindia.com.

(xv) The e-Voting Period commences on 27th September 2021 (9:00 AM) and ends on 29th September, 2021 (5:00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled CDSL for voting thereafter. Once the decision on a Resolution is cast by the shareholder, the shareholder not be allowed to change it subsequently. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Mr. Amit Agrawal, Practicing Company Secretary (Membership No.5311) and has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the Votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the Votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared in the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be Placed on the company' in and the website of CDSL within two (2) days of passing of the resolutions at The AGM of the Company and communicated to the BSE Limited.

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10. Explanatory statement of item no. 3 pursuant to section 102 of the Companies Act, 2013 is annexed to the notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3: Reduction of Share Capital of the Company.

The proposed reduction of capital is pursuant to Section 66, Section 52 and other applicable provisions of the Companies Act, 2013 ('the Act') and the rules made thereunder ("the Rules") (including any statutory modification (s) or re-enactment (s) thereof for the time being in force) and pursuant to Article 3(2)(c) of the Articles of Association of the Company and subject to confirmation by the Hon'ble National Company Law Tribunal, New Delhi bench ("NCLT").

1. BACKGROUND

The issued, subscribed and paid-up capital of the Company is Rs. 36,02,92,000/- comprising of 36,02,92,000 equity shares of Re. 1/- each and the securities premium is Rs. Nil, based on the unaudited standalone financial statements for the period ended August 28, 2021. Further, these financial statements reflect accumulated losses (i.e., debit balance of profit and loss account) of Rs. 37,37,15,381/- for the period ended August 28, 2021. Such accumulated losses have substantially wiped off the value represented by the share capital.

Considering the future prospects of growth and value addition to the Company and its shareholders, it is proposed to re-align the relationship between its capital and assets in accordance with Section 52 and Section 66 of the Companies Act, 2013 read with the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013 (to the extent applicable), by writing-off the accumulated losses of Rs. 32,42,62,800/- reflecting in the unaudited financial statements of the Company as on August 28, 2021 against the paid-up share capital Account balance of the Company, to have a rational structure which is commensurate with its remaining business and assets.

It is proposed to reduce the paid up capital of the company from Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each, consequently total issued, subscribed and paid up share capital of the company shall be reduced to Rs. 3,60,29,200/-.

2. EFFECT OF THE SCHEME

The proposed reduction of capital by reducing the paid- up equity share of the Company against Accumulated losses, pursuant to the Scheme, shall be reflected in the books of Accounts of the Company, on the Effective date.

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The capital structure of the Company pre- and post scheme is reflected in the table below (As on 28.08.2021):\

Pre-reduction			Post-reduction		
Particulars	No of shares	Amount (Rs.)	Particulars	No of shares	Amount (Rs.)
Authorised Share Capital					
Equity shares of face value Re 1/- each	37,00,00,000	37,00,00,000	Equity shares of face value Re 1/- each	3,60,29,200	3,60,29,200
Preference shares	nil	nil	Preference shares	nil	nil
Issued, subscribed and paid up Share Capital					
Equity shares of face value Re 1/- each	36,02,92,000	36,02,92,000	Equity shares of face value Re 1/- each	3,60,29,200	3,60,29,200

The below table reflects the pre- and post reduction of Securities Premium Account of the Company against its Accumulated Losses (As on 28.08.2021):

Particulars	Pre-reduction (Rs.)	Proposed reduction (Rs.)	Post-reduction (Rs.)
Securities Premium Account	Nil	Nil	Nil
Profit and Loss (Dr) i.e. Accumulated Losses	37,37,15,381	32,42,62,800	4,94,52,581

3. BENEFITS ARISING OUT OF THE SCHEME

a. The Scheme, if approved, the books of the Company would better represent its financial position which would help the Company position itself better in the market, and undertake business activities efficiently. This would be value accretive to the Shareholders as well, as their holdings would yield better results.

b. The proposed restructuring under the Scheme, if approved, would enable the Company to explore opportunities for the benefit of its Shareholders, including in the form of dividend payments, in terms of the applicable law.

c. The Scheme, if approved, may enable the Company to avail business opportunities that it was unable to take advantage of, because of it experiencing Accumulated Losses.

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d. The reduction of capital in the manner proposed would enable the Company to have a rational structure which is commensurate with its remaining business and assets.

e. The Scheme of reduction, after full implementation, will result in making the Company's balance sheet leaner and downsized.

f. The proposed Scheme would be for the overall benefit of the Company, its creditors, Shareholders and all other stakeholders

g. The proposed Scheme will enable the Company to use a part of the amount which is lying unutilized in the Securities Premium Account of the Company in an effective manner for the benefit of the Company.

h. The Scheme, if approved, would provide greater flexibility to the Company in raising funds either from the capital market or from any Bank/ Financial Institutions in the form of equity or debt, depending upon the business needs of the Company.

5. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN OF THE COMPANY

The pre and post reduction of capital structure and shareholding g pattern is as follows:

Pre-reduction			Post-reduction		
Particulars	No of shares	Amount (Rs.)	Particulars	No of shares	Amount (Rs.)
Authorised Share Capital					
Equity shares of face value Re. 1/- each	37,00,00,000	37,00,00,000	Equity shares of face value Re 1/- each	37,00,00,000	37,00,00,000
Preference shares	nil	nil	Preference shares	Nil	nil
Issued, subscribed and paid up Share Capital					
Equity shares of face value Rs 1 each	36,02,92,000	36,02,92,000	Equity shares of face value Rs 10 each	3,60,29,200	3,60,29,200

Shareholding pattern- Pre and post reduction of capital:

Shareholding pattern	Pre Reduction (as on August 28, 2021)		Post Reduction	
	No. of Shares of face value of Re. 1/- each	% of holding	No. of Shares of face value of Re. 1/- each	% of holding

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Promoter & Promoter group	15,12,602	0.4198	1,51,260	0.4198
Public	35,87,79,398	99.5802	3,58,77,940	99.5802
Total	36,02,92,000	100	3,60,29,200	100

There will be no change in the shareholding pattern of the Company pursuant to the proposed Scheme.

5. Reasons for reduction of share capital

- a. The Company was engaged in the business of hire, own, acquire & maintain motor vehicles, airplanes, reefer trucks, reefer trailers, reefer vehicles, reefer containers, generators & other allied equipments, ships, barges, towage tugs, offshore support vessels, hovercrafts railways, containers, cranes, forklifts, reach stakers, loaders, mining machinery & equipment, multi modal transportation systems, excavators, transit mixers, graders, tippers, tip- trailers, container trucks, car & two wheeler carriers, trailers, trucks, other material handling equipment, allied equipment, loading & unloading equipment, HEMM & to establish container freight stations, inland container depots, railway lines / tracks, goods sheds, stockyards, aerodromes & airports, workshops, garages, warehouses, sheds, distribution centers, cold storages, cold rooms as the demand may be which it may let out, hire, rent, charter, & lease etc for generation of revenue & carrying on of its logistics business.
- b. The company is running the fleet of Trucks on wholesale freight basis, due to the decline in the demand the company has suffered the losses and consequent upon such losses the company has failed to pay the EMI of the lenders, resultantly the company account has been declared as NPA and the lender has recalled their facilities and they have taken symbolic possession of the assets of the company mortgaged with them and have communicated their stand to the debtors of the company. The business of the company has been discontinued/ disrupted because of the above said affects. After the said repossession of the assets, The Company has generated cash losses and the net worth of the company has been fully eroded, and current liabilities are substantially higher than current assets.
- c. The directors of the company has chalk out the plan for the revival of the business of the company and for the purpose they are in negotiation with the number of strategic investors to make the investments in the company. However, utmost all the investors have made the conditions that the company should write off its losses by reduction of its share capital so that the assets of the company should be properly represented in the company's financial statement. After the reduction of the capital, the company is planning to raise the capital of the company so that the business of the company can be bring back on the path of success and value of the stake holders of the company can be enhanced on optimum level.
- d. The reduction of share capital would cause the balance sheet to bring in true and fair representation of the Company by the available assets of the Company and reflect the real financial position of the Company.



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- e. The reduction of capital does not involve any cash out flow as the shares are getting extinguished against the debit balance of profit and loss account.
- f. The reduction of share capital would place the company in a position to pay dividend in future or raise further capital in future.

6. OTHERS

Notwithstanding the reduction as mentioned above, the Company will be praying before the NCLT that the Company be exempted to add "And Reduced" as a suffix to its name and the Company shall continue in its existing name considering that no payout is being made to any existing members and the Company will be able to discharge its liability in the due course of business.

The Special Resolution, if approved by the members of the Company with requisite majority, will be subject to the confirmation by National Company Law Tribunal as per Section 66(3) of the Companies Act, 2013 read with the National Company Law Tribunal (Procedure for reduction of share capital of company) Rules, 2016.

In relation to above, the Audit committee and the Board of Directors of the Company approved the draft Scheme at its respective meetings held on September 04, 2021. The Company had filed necessary applications before BSE for seeking their no-objection to the Scheme.

A copy of the Scheme along with the related documents, setting out in detail the terms and conditions of the proposed Scheme which has been duly approved by the Audit Committee and the Board of Directors of the Company at its meetings held on September 04, 2021, along with the documents submitted to the BSE, have been uploaded on the website of the Company at [https:// www.mflindia.co.in](https://www.mflindia.co.in).

The status of the complaints received by the company as below:

Sl. No	Particular	Number
1	Number of complaints received directly	Nil
2	Number of complaints forwarded by Stock Exchanges /SEBI (till the date)	Nil
3	Total Number of complaints/comments received (1+2)	Nil
4	Number of complaints resolved	Nil
5	Number of complaints pending	Nil

Further the "Fairness Opinion" obtained from **Intellicity Capital Advisers Private Limited**, Merchant Bankers, certifies that the Scheme of reduction of capital is fair and reasonable, which is enclosed as Annexure 2. The fairness opinion and the valuation report on shares has been uploaded on the website of the Company at [https:// www.mflindia.co.in](https://www.mflindia.co.in).

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6. GENERAL INFORMATION AND DISCLOSURES

i. Article 61 of the Articles of Association of the Company provides for the reduction of capital of the Company in any manner authorized by the applicable law.

ii. The Reduction of Capital will not cause any prejudice to the creditors of the Company. The creditors of the Company are in no way affected by the proposed Reduction of capital, as there is no payout to the members of neither the Company nor a reduction in the amount payable to any of the creditors. Further, the proposed Capital Reduction will not have any impact on the operations of the Company or the ability of the Company to honour its commitment or to pay its debts in the ordinary course of business.

iii. No inquiry or investigation is pending against the Company under any provisions of Companies Act, 2013.

All documents referred to in the accompanying Special Resolution and Statement **Annexed** thereto are made available on the Company's website at [https:// www.mflindia.co.in](https://www.mflindia.co.in) and would also be available for inspection to the members at the Registered Office of the Company on all working days during the office hours (09:00 AM – 05:00 PM) till the last date for receipt of the forms from the members, subject to lockdown guidelines.

The Board recommends the Special Resolution for members' approval.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way deemed to be interested or concerned in this Resolution.



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DIRECTORS' REPORT

To
The Members,

Your Directors have pleasure in presenting the 38th Annual Report of the Company together with Audited Accounts and the Auditor's Report of your Company for the financial year ended on 31st March, 2021.

MFL India Limited is a leading logistics company having operations PAN- India. Your company offers various services to clients such as transportation & trucking and successfully operates in the country.

MFL India Limited is firmly built on belief of offering unmatched quality services, driven by strong expertise and experience in providing customized and personalized services.

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner and reasonably present our state of affairs, profits and cash flows for the year.

The summarized financial performance for the year ended 31st March, 2021 is as follows:

Financial Results

(Rs. In Lakhs)

Particulars	2020-21	2019-20
Sales, other income & prior period income	917.52	119.44
Expense	621.94	136.64
Profit/(Loss) before exceptional and extraordinary items	295.58	(17.20)
Exceptional items	-	-
Extraordinary items	-	-

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Profit/(Loss) before taxation	295.58	(17.20)
Less: Current Tax	0	0
Earlier Year Tax	0	0
Add: Deferred Tax	0	0
Profit/(Loss) for the period from continuing operations	295.58	(17.20)
Profit/(Loss) for the period from discontinuing operations	-	-
Tax expenses of discontinuing operations.	-	-
Profit/(Loss) for the period	295.58	(17.20)

Financial Performance

For the financial year ended March 31, 2021, your Company earned Profit/Loss before Tax of Rs. 295.58 Lakhs as against loss of Rs.-17.20 Lakhs in the previous financial year. The total income for the year under consideration is Rs. 917.52 Lakhs and total expenditure is Rs. 621.94 Lakhs.

Number of Board Meeting

Nine Board Meetings were held during the year, as against the minimum requirement of four meetings.

The details of Board Meetings are given below:

Date	Board Strength	No of Directors Present
31.07.2019	4	4
05.09.2020	4	4
13.11.2020	4	4
08.02.201	4	4
13/02/2020	4	4

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Dividend

Due to suffered loss, your Company is not declaring any dividend.

Segment wise performance

The Company operates in only one segment i.e. Transportation/Trucking, and therefore, has no separate reportable segments.

Outlook

MFL India Limited is a premier transport and Logistics Company with Pan-India coverage. Company is on track to achieve its expansion objectives. There is a tremendous demand for Logistics in India. Hence MFL India Limited immediate focus will be to bridge this gap by ramping up capacities across the country.

Your Company has since last few years taken initiatives to broaden its fleet base to minimize the risks and maximize the gains. In its effort in this regard, the Company has been adding more fleet for domestic operations. With expansion of fleet the Company would be in a better position to maximize its gains from the markets.

Internal Financial Controls

Your Company has established and maintained a framework of internal financial controls and compliance systems. Based on the same and the work performed by the internal auditors, statutory auditors and external agencies and the reviews performed by Top Management team and the Audit Committee, your Directors are of the opinion that your Company's Internal Financial Controls were not adequate and not effective during the financial year 2020-21.

Further the statutory auditors of your company has also issued a report on internal control over financial reporting (as defined in section 143 of Companies Act 2013) for the financial year ended March 31, 2021, which forms part to the Statutory Auditors Report.

Corporate Social Responsibility

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

Risks and Concerns

The Board of Directors has put in place a Risk Management policy for the Company, which includes industry risks, quality risks, project risks and financial/ interest rate / liquidity risks and the structure, infrastructure, processes, awareness and risk assessment / minimization procedures. The elements of the risk, which in severe form can threaten Company's existence, have been identified by the Board of Directors to mitigate the same.



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Deposits

During the year under review the Company has not accepted any money from the public as Deposits.

Particulars of Contracts or Arrangements with Related Parties

None of the transactions with the related parties falls under the scope of section 188 (1) of the Act. All contracts/ arrangements/ transaction entered by the Company during the financial year with related parties in the ordinary course of business and on arm's length price basis. During the year the Company has not entered into any contracts/ arrangements/ transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

Meeting of independent director

During the year under review, an annual Independent Directors meeting was convened on September 05, 2020 and February 08, 2021, to review the performance of the Non-Independent/ Non-Executive Directors including the Chairman of the Board and performance of the Board as a whole. The Non- Independent Directors did not take part in the meeting. In accordance with the Listing Regulations, following matters were, inter alia, discussed in the meeting:

- Performance of Non-Independent Directors and Board as a whole,
- Performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors,
- Assessment of the quality, quantity and timeliness of flow of information between the Company,
- Management and the Board that is necessary for the Board to effectively and reasonably Perform their duties,

Declaration by the Independent Directors

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, all the Independent Directors of your Company have given declaration that they have met the criteria of independence as required under the Act and the regulations.

Familiarization Programme for Independent Directors

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

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Share Capital

During the year, there is no change in the Equity Share Capital of the Company in the Financial Year 2020-21.

Evaluation of Directors, Board and Committee

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI under Clause 49 of the Equity Listing Agreement, the Board of Directors (“Board”) has carried out an annual evaluation of its own performance, and that of its Committees and individual Directors.

The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee Members. The Nomination and Remuneration Committee (“NRC”) reviewed the performance of the individual Directors. A separate meeting of Independent Directors was also held to review the performance of Non-Independent Directors; performance of the Board as a whole and performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. This was followed by a Board meeting that discussed the performance of the Board, its Committees and individual Directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure; effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition the Chairperson was also evaluated on the key aspects of his role.

Directors and Key Managerial Personnel (KMP)

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Nawab Khan, Director, who retires by rotation and being eligible, has offered himself for re-appointment. In compliance with Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, brief resume of all the Directors proposed to be appointed / re-appointed are attached along with the Notice of the ensuing Annual General Meeting. Apart from the above, there have been no changes in Directors and KMP.

Board Committees

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Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

Remuneration Committees

The Company has in place a Remuneration Policy for the Directors, Key Managerial Personnel and other employees, pursuant to the provisions of the Act and Clause 49 of the Listing Agreement.

Increase in Managerial Remuneration

During the financial year 2020-21, there was no hike in remuneration of managing Director and whole time director which is provided below: **Nil**

Name Of Director	Designation	Remuneration

Insider Trading Regulations

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, the code of conduct for prohibition of insider trading, as approved by the Company. The Company has also adopted the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees and other employees from trading in the securities of the Company at the time when there is unpublished price sensitive information.

Insurance and Risk Management

The Company has constituted a Risk Management Committee (RMC) which has been entrusted with responsibility to assist the Board in

- a) Overseeing the Company's risk management process and controls, risk tolerance and capital liquidity and funding.
- (b) Setting strategic plans and objectives for risk management and review of risk assessment of the Company
- (c) Review the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks.



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The Committee has also approved and adopted Risk Committee Charter. The Company has adopted a Risk Management Policy in accordance with the provisions of the Companies Act, 2013 (hereinafter referred to as the Act) and Clause 49 of the Listing Agreement. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

The Board takes responsibility for the overall process of risk management in the organization. Through Enterprise Risk Management programme, Business Units and Corporate functions address opportunities and the attendant risks through an institutionalized approach aligned to the Company's objectives. This is facilitated by internal audit. The business risk is managed through.

Cross functional involvement and communication across businesses. The results of the risk assessment and residual risks are presented to the senior management. Prior to constituting the RMC, the Audit Committee was reviewing business risk areas covering operational, financial, strategic and regulatory risks.

Employees Stock Option Scheme

During the year under review, the Company has not issued any ESOPs.

Statutory Auditors

M/s V.K. Sehgal & Associates, Chartered Accountants, (FRN: 011519N), 201- Harsha Bhawan, 64-65, Nehru Place, New Delhi-110019 were appointed as Statutory Auditors of the Company for a period of 5 years and to hold office from the conclusion of 35th Annual General Meeting of the company up to the 40th AGM which will be held in calendar year 2023 and in this regard the board of directors and audit committee of the Company be and are hereby authorized to fix their remuneration plus travelling and other out of pocket expenses incurred by them in connection with statutory audit or continuous audit and also such other remuneration, as may be decided to be paid by the Board of Directors and Audit Committee of the Company, for performing duties other than those referred to herein above.

Independent Auditor's Report

The Auditors in their report have referred to the notes forming parts of Accounts. The said notes are self-explanatory but need to require some clarification about the Company's ability to continue on going concern basis, as per Auditor's Report.

The auditor had made the qualification in their report and cast the doubt on the company's ability to continue as a going concern. In this regard it is to hereby submit that the director's of the company is striving for the continuous of the business operation of the company and in discussion with various strategical investors to infuse the fund in to the business of the company and the director's are positive, the company will bring into the business in next couple of months.

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Internal Auditors

M/s APJ & Company, Chartered Accountants, has been appointed in your company for the purpose of Internal Audit for the Financial Year 2020-21. Your board of directors has re-appointed M/s APJ & Company, Chartered Accountants as internal auditor for the Financial Year 2021-22.

Secretarial Audit and the Appointment of Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Manoj Purvey & Associates, a practicing Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith.

Cost Audit

The cost audit is not applicable on our company.

Buy Back of Shares

The Company has not made any offer to Buy Back of its shares, during the year under review.

Particulars of Employees

No employee of the Company is covered under section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended to date.

Conservation Of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo

Information's furnished in Annexure "1" and forms part of this report.

Report On Corporate Governance

As stipulated by clause 49 of the Listing Agreement, the Report on Corporate Governance is given separately in this Annual Report. The Certificate of M/s. Amit Agrawal, Company Secretary in Practice, regarding the Compliance of Clause 49 of the Listing Agreement is enclosed herewith and form part of Directors' Report.

Web Link of Annual Return, If Any

The Extract of the annual return in the form of MGT-9 is available on the Company web site i.e. www.mflindia.co.in.

Corporate Governance

Pursuant to Schedule V of the SEBI Regulation the following Reports/Certificates form part of the Annual Report.

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- The Report on Corporate Governance;
- The Certificate duly signed by Chief Financial Officer on the Financial Statements of the Company for the year ended March 31, 2021 as submitted to the Board of Directors at their meeting held on September 4, 2021;
- The declaration by the Managing Director regarding compliance by the Board members and senior management personnel with the Company's Code of Conduct.

Vigil Mechanism

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee

Compliance with Provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. The Company is committed to providing equal opportunities without regard to their race, caste, sex, religion, colour, nationality, disability, etc. All women associates (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this policy. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal or psychological.

Directors' Responsibility Statement

In accordance with the provisions of section 134(5) the Board confirms and submits the Director's Responsibility Statement:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company

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at the end of the financial year and of the profit and loss of the company for that period;

- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the company.
- d. The directors had prepared the annual accounts on a going concern basis.
- e. The directors, as the company is listed, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. “Internal financial controls” means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of the frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.
- g. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

The Directors acknowledge with gratitude the support given to the Company by the dealers, customers and suppliers, shareholders and investors who indeed deserve a special mention for their faith and confidence reposed by them in the Company.

**By order of the Board
For MFL India Limited**

**Place: New Delhi
Date: 04.09.2021**

Sd/-
**(Anil Thukral)
Managing Director
DIN –01168540**

Sd/-
**(Syed Zameer Ulla)
Director
DIN-07486691**



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Management Discussion & Analysis and Review of Operations and Future Law

Overview

MFL India Limited is a premier transport and logistics company with Pan-India coverage; having a self-owned fleet of mixed variety high-volume / heavy-weight cargo carriers; along-with a diversified portfolio of transportation services that includes dedicated high-capacity trucks, trailers.

MFL's logistics' portfolio includes freight management, cargo brokerage, inter-modal are provided through MFL's domestic networked companies and include ocean, air and ground transportation.

The main commodities transported are retail store merchandise, 2- wheeler motorcycles / scooters, consumer products, FMCGs, other manufactured products and grocery products

Industry Structure

Logistics industry in India has huge demand especially with the growth of the Indian economy along with the influx of new companies in sectors that were otherwise unknown.

Indian Logistics Industry is expected to grow at a CAGR of 8.6 percent between 2017 and 2021. The key drivers of this growth are infrastructure investment associated with ports, airports, and other logistics development plans, domestic demand growth and increasing trade.

The industry comprises the following main segments:

- Freight and passenger transportation via road, rail, air and water
- Warehousing and cold-storage

Development of transportation and logistics-related infrastructure such as dedicated freight corridors, logistics parks, free trade warehousing zones, and container freight stations are expected to improve efficiency. Government reform initiatives, promotion of manufacturing and trade, improving investment climate are expected to transform the industry and drive growth between 2020 and 2025.

Economic reforms, trade cooperation, improved transportation infrastructure, and industrial growth is ushering in increasing opportunities for the logistics service providers (LSPs) in India. Presently, the Indian logistics industry is witnessing development and expansion of its existing infrastructure, emergence of e-commerce specific logistics solutions, has a strong focus on manufacturing, but also has a large presence of unorganized service providers.

Key trends observed in the Indian logistics industry are:

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- Government initiatives to promote the manufacturing sector and exports are likely to increase the demand for logistics functions. Trade with Asia, Europe, and North America are likely to remain major drivers for freight forwarding and transportation companies in the region.
- Major investments by both public and private sectors in the last five years on infrastructure, technology upgrades and expansion of sea and airport facilities, and dedicated logistics corridor in the rail network are expected to strengthen the Indian logistics infrastructure.
- The booming e-commerce market in India is bringing in new opportunities for LSPs. The evolving business model(s) in this space focuses on containing logistics and delivery costs.
- The expected implementation of nationwide uniform GST is likely to transform the distribution structure of majority of industries as it eliminates the need for dedicated warehouses for each individual administrative region

India stands alone as an island of hope in an otherwise volatile, and uncertain, global economy. Recent policy initiatives and regulatory changes pursued by the government are aimed at accelerating India's GDP growth to 7.36% and beyond, in the near future. The logistics industry will be a direct beneficiary of this growth momentum. Equally, the ultimate winner within the logistics industry will be one who is able to outpace competition by delivering on the ever increasing demands of service, quality and cost in both B2B and B2C sectors.

Industry Development

The country's logistics industry which is worth around USD 160 billion is likely to touch USD 215 billion in the next two years with the implementation of GST. "With the implementation of GST, the Indian logistics market is expected to reach about USD 215 billion in 2020, growing at a CAGR of 10.5 per cent," Economic Survey 2018-19 tabled in Parliament. The Indian logistics industry which provides employment to more than 22 million people has grown at a compound annual growth rate (CAGR) of 7.8 per cent during the last five years, The Global Ranking of the World Bank's 2016 Logistics Performance Index shows that India jumped to 35th rank in 2016 from 54th rank in 2014 in terms of overall logistics performance. India has improved its rank in all the six components of logistics performance index. Realising the importance of the sector and to address the inefficiencies, the government has included the sector in the Harmonised Master List of Infrastructure Subsector. Inclusion of logistics sector in the Harmonised Master List of Infrastructure Subsector will benefit the sector in many ways, It will be helpful in facilitating the credit flow into the sector with longer tenures and reasonable interest rates, it said adding the infrastructure status will simplify the process of approval for construction of multi modal logistics (parks) facilities that includes both storage and transport infrastructure. "It will encourage market accountability through regulatory authority and will attract investments from debt and pension funds into recognised projects," it added. "It will encourage market accountability through regulatory authority and will attract investments from debt and pension funds into recognised projects."

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To a large extent, the logistics sector in India remains unorganised, it said adding the industry is facing challenges such as high cost of logistics impacting competitiveness in domestic and global market, underdeveloped material handling infrastructure, fragmented warehousing and lack of seamless movement of goods across modes, among others, "In order to develop this sector in an integrated way, it is important to focus on new technology, improved investment, skilling, removing bottlenecks, improving inter modal transportation, automation, single window system for giving clearances, and simplifying processes," By recognising the importance of the sector, a new logistics division has been created in the Department of Commerce to develop and coordinate integrated development of the industry, improvement in existing procedures, identification of bottlenecks and gaps, and introduction of technology-based interventions in this sector, the survey said

Improving logistics sector has huge implication on exports and it is estimated that a 10 per cent decrease in indirect logistics cost can increase 5-8 per cent of exports, Apart from increasing trade, better performance in logistics will augment programmes like Make in India, and also enable India to become an important part of the global supply chain.

Recent Scenario

The recent Indian logistics sector comprises of inbound and outbound segments of the manufacturing and service supply chains. Of late, the logistics infrastructure has gained a lot of attention both from business industry as well as policy makers. The role of managing this infrastructure, to effectively compete has been slightly under-emphasized.

Inadequate logistics infrastructure has an effect of creating bottlenecks in the growth of an economy. The logistics management regimen has the capability of overcoming the disadvantages of the infrastructure in the short run while providing cutting edge competitiveness in the long term. There exist several challenges and opportunities for logistic sector in the Indian economy.

Challenges Faced by the Recent Logistic Industry in India

An essential challenge faced by the industry today is the insufficient integration of transport networks, information technology, and warehousing & distribution facilities. Regulations exist at a number of different tiers, is imposed by national, regional and local authorities. However, the regulations differ from city to city, hindering the creation of national networks.

Trained manpower is essential both for the third-party logistics sector as well as the manufacturing and retailing sectors, which is very weak at a practical level, i.e., IT, driving and warehouse as well as at a higher strategic level. The disorganized nature of the logistics sector in India, its perception as a manpower-heavy industry and lack of adequate training institutions has led to a shortfall in skilled management and client service personnel. There is a lack of IT standard, equipment and poor systems integration.

Poor facilities and management are the reason for high levels of loss, damage and deterioration of stock, mainly in the perishables sector. Part of the problem is insufficient specialist equipment, i.e. proper refrigerated storage and containers, but it is also partly down

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to lack of training. The practitioners and the academicians are now aware of the importance of logistics and supply chain; however the field is still under-penetrated as far as research is concerned. It is essential to prioritize research and development so that the weaknesses in the industry can be taken care of and improved.

Solutions to Some of the Challenges

Infrastructure is the backbone of every country's growth and prosperity and for the logistics industry to flourish special emphasis has to be on building world-class road networks, integrated rail corridors, Modern cargo facilities at airports and creation of logistics parks which need to be given a status equivalent to Special Economic Zones.

It is necessary to realize that the benefits which can best be practiced in logistics industry can be brought about by the companies by establishing training intuitions so that there is improvement in the overall service quality of the sector. Good storage and Warehousing facilities are important for the growth of the logistics industry. With the increase in the transportation of perishable products, the logistics agencies need to give a lot of importance to enhancing the Warehousing facilities.

Warehousing is required to go to the next level taking into account the changing dynamics of JIT manufacturing, global procurement and new models of sales and distribution. Emphasis on research and development is potent mainly because it encourages the use of indigenous technology which can make the industry cost competitive and can also bring about improvement in services thereby using better, effective and efficient services. Particular focus has to be on research in process excellence which can help to eliminate inefficiencies and bring Indian logistics on par with global practices.

Future Prospects

The logistics firms are moving from a traditional setup to the integration of IT and technology to their operations to reduce the costs incurred as well as to meet the service demands. The growth of the Indian logistics sector depends upon its soft infrastructure like education, training and policy framework as much as the hard infrastructure.

To support India's fast-paced economy growth of logistics industry is very essential. It is estimated that the Indian logistics industry will continue to show robust growth of 10-15% annually, leading the pace of growth of the economy at large.

The global economic outlook, indeed that of India is expected to significantly improve as India Inc begins to tackle the economic downturn. With a new government many policies are expected to be implemented which will give a fresh impetus to India's growth engine particularly in the corporate and SME sector which in turn will expand demand for the logistics sector.

With the implementation of GST, logistics companies, which are currently forced to set up many small warehouses across multiple cities can set up just a few, big warehouses region wise and can follow the hub-and-spoke model for freight movement from the warehouses to

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the different manufacturing plants, wholesale outlets, retail outlets and the various POS. This growth is backed by the boom in the e-commerce sector and expansionary policies of the FMCG firms.

This has increased the service geography of the logistics firms but they also have to meet the demands of quick delivery and tight service level agreements. The industry has moved from being just a service provider to the position which provides end to end supply chain solutions to their customers. Thus, all this has paved the way for further growth of Logistics and Warehousing industry in the coming years.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's strategies on business, projections and estimates are forward looking statements. The actual results may vary from those expressed or implied, depending upon economic conditions, Government policies, regulations, tax laws and other incidental factors.



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Annexure to the Directors' Report

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 forming part of Directors' Report.

1. Conservation of Energy

The Company Continuous its in-house programme of enlightening and educating commercial vehicle drivers for greater fuel efficiencies. All the vehicles owned by the company undergo an intensive Planned Preventive Maintenance (PPM) drill to keep the vehicles in top running conditions with special emphasis on fuel conservation.

2. Research & Development

The operations of the Company do not require any elaborate R& D Activities. The Company however maintains the quality of its services by constant quality control & evaluation for improvement of existing services.

3. Technology Absorption, Adoption & Innovation

No technical tie up has been entered so far. The Company however keeps itself abreast of the latest technological changes.

4. Foreign Exchange Earnings & Outgo

Total foreign exchange earned & used

i) Foreign exchange earned NIL

ii) Foreign exchange used NIL

5. MGT 9 as per attachment

6. MR -3 Secretarial audit report as per attachment

By order of the Board

For MFL India Limited

Sd/-
(Anil Thukral)
Managing Director
DIN-01168540

Sd/-
(Syed Zameer Ulla)
Director
DIN-07486691

Place: New Delhi

Date: 04.09.2021



MFL India Limited

(CIN: L63040DL1981PLC012730)

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To,

The Members,

MFL India Limited

CIN: L63040DL1981PLC012730

94/4, UG-F, UG-9 Village Patparganj,

Delhi-110091

Our Secretarial Audit Report of even date is to be read along with this letter:

Management's Responsibility

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from this company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliances of laws, rules and regulations and happening of events etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

Avnish Kumar

Company Secretary

Membership No.: A43422

C.P.No. 18318

UDIN:A043422C000896032

Place: Delhi

Date: 04.09.2021

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Secretarial Audit Report **Form No. MR-3**

For The Financial Year Ended 31st March, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
MFL India Limited
CIN: L63040DL1981PLC012730
94/4, UG-F, UG-9 Village Patparganj,
Delhi-110091

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. MFL India Limited. (Hereinafter called the Company) having its registered office at 94/4, UG-F, UG-9 Village Patparganj, Delhi-110091. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the MFL India Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by MFL India Limited for the financial year ended on 31st March, 2021 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

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- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
 - g) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- VI. Applicable Secretarial Standards issued by the Institute of Company Secretaries of India;
- VII. The Listing Agreements entered into by the Company with Stock Exchange(s) Other laws:
- a) Indian Stamp Act to the extent applicable to the issue of Securities under the Companies Act, 2013.
 - b) Foreign Exchange management act, 1999 and the rules and regulations made there under to the extent of foreign direct investment

Other Laws applicable specifically to the Company namely:

- I. The Motor Vehicles Act, 1988
- II. Motor Transport Workers Act, 1961
- III. Employee Provident Fund Scheme, 1952
- IV. Employee State Insurance Act, 1948
- V. Information Technology Act, 2000
- VI. Payment of Gratuity Act, 1972

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- III. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to our below observation.

a. *The Company Delay in furnishing prior intimation of meeting of Board of Directors as per the Provisions of Regulation 29(2)/29(3).*

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b. The Company had filed Unsigned financial Result and Number of columns of the result should be as per SEBI Regulations. (i.e. Previous Quarter Not Given), Company Require to file Result PDF as per Regulation 33 Format.

c. The Company has not appointed any qualified company secretary as the compliance officer since March 2020

d. The Company ha not compliance the provision of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the updation of website.

e. The Company has not submitted disclosure of related party transactions on consolidated basis for the quarter ended 30th September, 2020.

f. The Company has not complied the provisions of Regulation 29 (2) of The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by other designated professional.



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We further report that during the audit period the company has provide details of specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Manoj Purbey & Associates
(Companies Secretaries)

Date : 04.09.2021

Place: Delhi

Sd/-

CS Avinash Kumar

(Partner)

M. No. A43422., CP: 18318

UDIN:A043422C000896032



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Report on Corporate Governance

Company's Philosophy on Corporate Governance

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At MFL India Limited, good Corporate Governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. Your Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment and regulatory compliances. Your Company is committed to the standards of Good Corporate Governance and adopted the principles of Good Corporate Governance in line with the requirements of the Corporate Practices enumerated in accordance with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes.

The Company aims to achieve greater transparency by making adequate disclosures and enhancing long term economic value of its Shareholders, while giving equal respect to the society at large. Given below is a brief report by the Director(s) on the practices followed at MFL India Limited to strive towards achievement of goal of Good 'Corporate Governance'.

- a) Enhancing long term Shareholder value through
 - Assisting the top management in taking sound business decisions; and
 - Prudent financial management.
- b) Achieving transparency and professionalism in all decisions and activities of the Company.
- c) Achieving excellence in Corporate Governance by
 - Conforming to the prevalent guidelines on Corporate Governance, and excelling in, wherever possible.
 - Reviewing periodically the existing systems and controls for further improvements

Policies

In compliance with the requirements of Listing Agreements with Stock Exchanges, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), SEBI Regulations and Companies Act, 2013, Board of Directors of the Company has approved various policies, as detailed herein:

Whistle Blower & Vigil Mechanism Policy

As per Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, Whistle Blower and Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables the Employees and Directors to raise and report concerns about unethical behaviour, actual or suspected fraud of any Director and/or Employee of the Company or any violation of the Code of Conduct. This Policy is available on the Company's website www.mflindia.co.in. Further during the year under review, no case was reported under the Vigil Mechanism. No person was denied access to the Audit Committee.

Code of Conduct

The Company has also adopted a Code of Conduct for the Members of the Board of Directors and Senior Management. All the Directors and senior functionaries, as defined in the said code, provide their annual confirmation of compliance with the Code. The copy of the code is available on the website of the Company www.mflindia.co.in. Besides the Code, the Company has also put in place a Policy on Ethics at Work Place which is applicable to all employees. The role and responsibilities of

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Independent Directors as prescribed in Schedule IV of the Companies Act, 2013 and/or prescribed in Listing Regulations forms part of the appointment letters issued to Independent Directors.

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below:

DECLARATION

I confirm that the Company has obtained from all Directors and Senior Management Personnel of the Company their affirmation of compliance with the Code of Conduct for Members of the Board and Senior Management of the Company for the financial year ended March 31, 2021.

ANIL THUKRAL

Managing Director

H. No. G 504, Park View City,

Sector 48, Gurgaon 122001

05.09.2019

Policies & Code as Per SEBI Insider Trading Regulations

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Compliance officer is responsible for implementation of the Code.

All Board of Directors and the designated employees have confirmed compliance with the Code.

Familiarisation Program for Independent Directors

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through induction programs at the time of their appointment as Directors and at regular intervals through deep-dive on various business segments of the Company. While review and approval of quarterly and annual financial statements of the Company are taken up detailed presentation covering inter alia economy and industry overview, key regulatory developments, strategy and performance of the Company is made to the Board.

Apart from the above policies, the Board has in accordance with the requirements of Companies Act, 2013 and Listing Regulations approved and adopted Remuneration Policy, Material Events Determination and Disclosure Policy and Document Preservation Policy.

Board of Directors Composition and Category of Directors

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MFL India Limited has a balanced Board with combination of Executive and Non-Executive Directors to ensure independent functioning and the current composition of the Board is in conformity with Regulation 17 (1) of the SEBI Listing Regulations. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations.

The Board meets regularly to discuss, review and decide upon the matters such as policy formulation, setting up of goals, appraisal of performances with the goals and control functions, etc. Some of the powers of the Board have also been delegated to Committee(s), which monitors the day-to-day affairs relating to operational matters. The Board thus exercises close control over the overall functioning of the Company with a view to enhance the Shareholder value

Composition of the Board as at the close of March 31, 2021:-

Category of Director	No. of Director	% to total no of Directors
Executive Director	1	25
Non- Executive Independent Director (Including Women Director)	3	75
Total	4	100

As mandated by Regulations 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulation) as of March 31, 2021, none of the independent directors of the company served as an independent director in more than seven listed entities and as per Regulation 26 of SEBI Regulation none of Directors is a member of more than ten committees or acting as Chairperson of more than five committees of the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

The Agenda setting out the business to be transacted at the meeting along with the explanatory notes are sent to the directors seven days before the Board Meeting date.

The name and categories of the directors on the Board, and committee Chairmanship/Memberships held by them in other companies are given herein below. Other directorships do not include alternate directorships, directorships of private limited Companies, Section 8 Companies and of Companies incorporated outside India. Chairmanships /Memberships of Board Committees include only Audit and Shareholders/Investors Grievance Committees:

Name of Directors	Categories of Directors	Number of Directorships in other public companies	No. of Committees position held in other companies	
			Chairman	Member
Anil Thukral	Executive Director	Nil	Nil	Nil
Syed Zameer Ulla	Non-Executive Independent Director	Nil	Nil	Nil
Nawab Khan	Non-Executive Non Independent Director	Nil	Nil	Nil
Pratiksha Anant Patil	Non-Executive Independent Women	Nil	Nil	Nil

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	Director			
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Number of Board Meetings

During the financial year under review, the Board met 4 (Four) Times on:

- i. 31.07.2020
- ii. 05.09.2020
- iii. 13.11.2020
- iv. 08.02.2021

The attendance record of each Directors at the Board Meetings during the period ended on 31st March 2021 and of last Annual General Meeting is as under: -

Name of Directors/CFO	Total No. of Meetings held	No. of board meeting attended	Attendance at the last AGM
Anil Thukral	4	4	Yes
Syed Zameer Ulla	4	4	Yes
Pratiksha Anant Patil	4	4	Yes
Nawab Khan	4	4	Yes

None of the Directors of your Company are *inter-se* related to each other.

None of the Non-Executive Directors of the Company holds any shares and convertible instruments of the Company.

Board Procedure

The Board Meetings of the Company are governed by a structured agenda. The Company Secretary in consultation with Managing Director finalises the agenda of the Board Meetings. All major agenda items, backed up by relevant and comprehensive background information, are sent well in advance of the date of the Board Meeting(s) to enable the Board Members to take informed decision. Any Board Member may, in consultation with the Chairman of the Meeting and with the consent of all

Independent Directors present at the meeting, bring up any matter at the meeting for consideration by the Board. Senior Management personnel are invited from time to time to the Board Meetings to make requisite presentations on relevant issues or provide necessary insights into the operations / working of the Company and corporate strategies. The Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

Performance Evaluation

The Board has carried out evaluation of its own performance, the directors individually and evaluation of working of the committees of the Board during the financial year 2020-21. The structured evaluation process contained various aspects of the functioning of the Board and its committees, number of committees and their roles, frequency of meetings, level of participation, and independence of judgment, performance of duties and obligations and implementation of good corporate governance practices

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The Board expressed its satisfaction of the performance of all the directors, Board and its committees which reflected the overall engagement of the directors, the Board and its committees with the Company.

Board Committees

Your Board has constituted Committees for smooth and efficient operation of day-to-day business of the Company. These Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. Each Committee of the Board is guided by and operates under the terms of reference, which has been framed in compliance with applicable laws defining the scope, powers and composition of the Committee. The minutes of the meetings of all the Committees are placed before the Board.

Audit Committees

The Board has constituted a well-qualified Audit Committee. The Company has framed the mandate and working procedures of the Audit committee as required under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulation defining therein the term of reference, membership, powers, meeting procedures etc. of Audit Committee.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. In addition to the foregoing, in compliance with requirements of Regulation 18 of the SEBI Listing Regulation, the Audit Committee reviews operations of subsidiary companies viz., its financial statement, significant related party transactions, statement of investments and minutes of meeting of the Board and Committees.

Term of reference

The Terms of reference and role of the Audit Committee are as per Regulation 18 and Schedule II Part C of the SEBI Listing Regulations and Section 177 of Companies Act, 2013. The Committee meets periodically and inter alia:

- Reviews Accounting and financial reporting process of the Company;
- Reviews Audited and Un-audited financial results;
- Reviews Internal Audit reports, risk management policies and reports on internal control system;
- Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls, reliability of financial statements/ other management information, adequacy of provisions for liabilities and whether the audit tests are appropriate and scientifically carried out in accordance with Company's current business and size of operations.;
- Reviews and approves of transactions proposed to be entered into by the Company with related parties including any subsequent modifications thereto;
- Reviews functioning of Whistle Blower & Vigil Mechanism Policy; and
- Recommends proposals for appointment and remuneration payable to the Statutory Auditor, Internal Auditor and Chief Financial Officer.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. Additionally, in compliance with requirements of Regulation 24 of the SEBI Listing Regulations, the

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Audit Committee reviews operations of Subsidiary Companies viz. its financial statements, significant related party transactions, statement of investments and minutes of meetings of its Board and Committees.

Composition and Meetings of the Audit Committee

S. No	Name of Director	Position	Category	No. of Meetings During the Year 2020-21	
				Held	Attended
1	Pratiksha Anant Patil	Chairperson	Non-Executive Independent	4	4
2	Anil Thukral	Member	Executive Director	4	4
3	Nawab Khan	Member	Non-Executive Non Independent	4	4

The Chief Financial Officer, Head Finance, the Partner/ Representative of the Statutory Auditors and the Internal Auditors are some of the invitees to the Audit Committee. Internal Auditors have attended Audit Committee Meetings wherein the Internal Audit Reports were considered by the Committee.

Nomination & Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

Term of reference

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
2. Formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
3. Ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
4. Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
5. Formulate policy with regard to remuneration to Directors, Key Managerial Personnel and Senior Management involving a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Composition and Meetings of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company comprised of Mr. Nawab Khan, Ms. Pratiksha Anant Patil and Mr. Syed Zameer Ulla as the members of the Committee all being Independent Directors.

During the year under review, the Nomination and Remuneration Committee met Four (4) times on July 31, 2020, September 5, 2020, 13th November, 2020 and February 08, 2021, and the necessary quorum was present at the meetings.

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The details of attendance of Nomination and Remuneration Committee meetings during the financial year ended March 31, 2021 are as under:-

Name of the Director	Category	No. of meeting attended
Mr. Nawab Khan (Non Executive Independent Director)	Chairman/Member	4
Ms. Pratiksha Anant Patil (Independent Director)	Chairman / Member	4
Mr. Syed Zameer Ulla (Non Executive Independent director)	Chairman/Member	4

Performance Evaluation Criteria for Independent Directors

Performance of each of the Independent Directors are evaluated every year by the entire board with respect to various factors like personal traits which include business understanding, communicate skills, ability to exercise objective judgment in the best interests of the Company and on specific criteria which include commitment, guidance to Management, deployment of knowledge and expertise, management of relationship with various stakeholders, independence of behaviour and judgment, maintenance of confidentiality and contribute to corporate governance practice within the Company.

Remuneration Policy

The Company has two Executive Directors on the Board. The details of such remuneration are given below:

Details of remuneration of Executive Directors are as under:

Name of Director	Salary (Rs.)	Perquisites (Rs.)	Total (Rs.)
Nil	Nil	Nil	Nil

Details of sitting fees paid during the period:

Executive Directors and other Directors are not paid any sitting fees for attending the Board Meeting and its Committees

Shareholders/Investors Grievance and Share Transfer Committee

The Company has a Shareholders/Investors Grievance and Share Transfer Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non receipt of notices/annual reports etc.

During the period under review, the members of the Shareholders/Investors Grievance and Share Transfer Committee met 4 (Four) times. The Dates of the meetings were July 31, 2020, September 5, 2020, 13th November, 2020 and February 08, 2021.

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The Composition of shareholders/Investors Grievance and Share Transfer Committee and the details of meeting attended by its members are given below:

Name of the Director	Category	No. of meeting held	No. of meeting attended
Mr. Syed Zameer Ulla (Non Executive Independent director)	Chairperson/Member	4	4
Ms. Pratiksha Anant Patil (Independent Director)	Chairperson	4	4
Mr. Nawab Khan (Non Executive Independent Director)	Member	4	4

There was no application for share transfer pending as at 31st March, 2021.

Details of investor's complaints received and redressed during the year 2020-21:

Opening Balance	Received during the year	Resolved during the year	Closing Balance

As on March 31, 2021, no investor grievance has remained unattended/ pending for more than thirty days.

Risk Management Committee

During the period under review, the members of the Risk Management Committee met 4 (Four) time. The Dates of the meeting were July 31, 2020, September 5, 2020, 13th November, 2020 and February 08, 2021.

The composition of the Risk Management Committee and the Details of the meetings attended by its members are given below:

Name of the Director	Category	No. of meeting held	No. of meeting attended
Mr. Nawab Khan (Non Executive non Independent)	Chairperson/Member	4	4
Ms. Pratiksha Anant Patil (Independent Director)	Chairperson/Member	4	4
Mr. Syed Zameer Ulla (Non Executive Independent director)	Chairperson/Member	4	4

Code of Conduct

The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 17(5) of the SEBI Regulation. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director. Further,

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the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also posted on the website of the company.

General Body Meetings:

(a) The details of Annual General Meetings held in last three years are as under: -

AGM	Day	Date	Time	Venue
35 th	Saturday	29/09/2018	09:30 A.M	G-1, Ground Floor, Well King Towers, 94/4, Main Market, Patparganj, Mayur Vihar, Phase-I, Delhi – 110091
36 th	Thursday	31/10/2019	09:30 A.M	G-1, Ground Floor, Well King Towers, 94/4, Main Market, Patparganj, Mayur Vihar, Phase-I, Delhi – 110091
37 th	Wednesday	30.09.2020	10:00 A.M	G-1, Ground Floor, Well King Towers, 94/4, Main Market, Patparganj, Mayur Vihar, Phase-I, Delhi – 110091

Disclosures

i. Related party transactions:

There are no materially significant related party transactions of the company which have potential conflict with the interest of the company at large.

ii. Accounting Treatment :

While in the preparation of financial statements, no treatment different from that prescribed in an Accounting Standards has been followed.

iii. Details of non-compliance, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related capital markets, during the last three years: **NIL**

Whistle Blower policy

The company has formally established a Whistle Blower policy as a mechanism for its employees to report to the Management about any violation of business principles or unethical behaviour to the employees are free to access the Management or Chairman of audit Committee to report such instances.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of

Clause 49:

The Company has complied with all the mandatory requirements as laid down under Clause 49 of the Listing Agreement in letter as well as spirit. The details of these compliances are set out in the relevant sections of this Report. The company has also set up the Remuneration Committee as prescribed under non mandatory requirements in Annexure I D to the clause 49 of the Listing Agreement with the Stock Exchange, details of which have been given earlier in this report.

Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational

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information and all statutory / regulatory compliances. The Company's business processes are on logy sis and have a strong monitoring and reporting process resulting in financial discipline and accountability

Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Compliance officer is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

Means of communication:

(i) **Publication of Results:**

The Quarterly Results/ Annual Results of the Company are published in the leading newspapers viz:-

The Financial Express (English)

Naya India (Hindi)

(ii) **News, Release, etc:**

All vital Information pertaining to the Company and its Performance, financial or otherwise, its financial results, important developments in the Company sent to the stock exchanges from time to time and are regularly posted.

(iii) Website: www.mflindia.co.in

General Shareholders' Information:

a) **Registered Office:**

94/4, UG-F, UG-9,
Village - Patparganj,
Delhi -110091.
Email-mfldelhi81@gmail com

b) **Registrar & Share Transfer Agents:**

M/s. Link Intime India Private Limited,
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I,
Near PVR Naraina, New Delhi - 110 028

c) **Annual General Meeting to be held:**

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Day,	Date,	Time & Venue:
Thursday	30/09/2021	09:00 A.M Venue: G-1, Ground Floor, Well King Towers, 94/4, Main Market, Patparganj, Mayur Vihar, Phase-I, Delhi – 110091
d)	Financial Year : 01/04/2020 to 31/03/2021 to 30 th September, 2021 (both days inclusive)	
e)	Dividend Payment Date: N.A.	
f)	Stock Exchanges in which the Company's Shares are listed: The Stock Exchange, Bombay Stock Exchange Limited, Mumbai Stock Code: 526622	
g)	Status of payment of Listing Fees: The Company has paid the listing fees to the Stock Exchange, Mumbai.	
h)	Connectivity with the Depositories: National Securities Depositories Limited (NSDL) Central Depository Services (India) Limited (CDSL) ISIN Numbers: INE 244CO1012	
i)	Dematerialization of shares: As of March, 2021, 34,25,30,740 Equity shares of the company stand dematerialized & this constitutes 95.06 in % of the holding in the Company.	
	Corporate Office and Registered Office: 94/4, UG-F, UG-9 Village-Patparganj, Delhi – 110 091. Email-mfldelhi81@gmail com	
j)	Share Transfer System Share transfers are affected on requests in Demat form as well as in physical form periodically at frequent intervals.	
k)	Person who conducted the e-voting exercise: The Board had appointed Mr. Amit Agrawal Practicing Company Secretary as Scrutinizer for conducting the said-voting / Postal Ballot.	

CEO/CFO' S CERTIFICATION

To the Board of Directors of MFL India Limited

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I, **Khemraj**, Chief Financial Officer of MFL India Limited to the best of my knowledge and belief, certify that:

- a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) No transactions entered into by the company during the years which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit committee that:
 - i. there has not been any significant changes in internal control over financial reporting during the year under the reference ;
 - ii. there has not been any significant changes in accounting policies except to the extent already disclosed in the financial statement(s); and
 - iii. there are no instances of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Delhi
Date: 04/09/2021

Sd/-
Khemraj
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

The Members of

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M/s. MFL India Limited

94/4, UG-F, UG-9,
Village- Patparganj,
Delhi –110 091.

We have examined the Compliance of conditions of Corporate Governance by MFL India Limited (“ the Company”) for the period ended 31st March, 2021 as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Bombay stock exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the Company’s management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For V K Sehgal & Associates
Chartered Accountant
Firm Registration No: 011519N**

Sd/-
**Anuj Maheshwari
Membership No.0960530**

**Date: 04.09.2021
Place: Delhi**

**Declaration Regarding Compliance by Board Members and Senior Management
Personnel with the Company’s Code of Conduct**

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In terms of the requirement of Regulation 26(3) read with Schedule V Para D of the SEBI (Listing Obligations and Disclosure Requirements), 2015, code of conduct of the company has been displayed at the company's website: www.mflindia.in. All the members of the Board and the senior management personnel had affirmed compliance with the code for the year ending March 31, 2018.

Sd/
Anil Thukral
Managing Director
DIN: 01168540

Date: September 04, 2021

Place: Delhi



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Dear Shareholders,

MFL INDIA LIMITED is an Environment friendly Company and utilizes natural resources in a sustainable way. Recently, the Ministry of Corporate Affairs (MCA), Government of India through its Circular Nos. 17/2012 and 18/2012, dated April 21,2012 and April 29,2012 respectively, has allowed companies to send officials documents to their shareholders electronically as part of its green initiatives in corporate governance.

In order to conserve paper and minimize the impact on the environment, the company proposes to send documents such as notice of the General Meetings, Audited Financial Statements, Directors and Auditors Reports, Postal Ballots etc, henceforth to all its shareholders in electronic form through emails

We request you to inform your e-mail address to your Depository Participants and also register your e-mail ID at Company E-mail ID (mfldelhi81@ gmail.com) and our Registrar and Share Transfer Agents viz, “M/S Link In Time India Private Limited” at the website www.linkintime.com (E-mail ID: delhi@linkintime.co.in) in case you have already registered the same. You are not required to re-register unless there is change in your e-mail address.

You are also required to intimate to the Depository Participants (DP), if any in your registered address e-mail ID and /or changes in your bank account details.

We expect to receive your co-operations towards this welcome initiative taken by MCA

Thanking You
Yours truly

FOR MFL INDIALIMITED

Sd/-
Anil Thukral
Managing Director

Date: 4th September 2021
Place: New Delhi

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QUALIFIED INDEPENDENT AUDITOR'S REPORT

To
The Members of **M/s MFL INDIA LIMITED**

Qualified Audit Report on the Financial Statements

We have audited the accompanying financial statements of M/s MFL INDIA LIMITED (“the Company”), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management’s Responsibility for the Financial Statements

The Company’s Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

Our opinion on the Statement is qualified in respect of the matters described below.

Attention is drawn to the following matters:

1. The Bankers of the company have termed the Credit facilities of the company as a Non Performing Asset (NPA) and has recalled their facilities.
2. They have taken symbolic possession of the assets of the company mortgaged with them and have communicated their stand to the debtors of the company.
3. The business of the company has been discontinued/disrupted because of the above said affects. As a result, there is no turnover of the company in the last quarter of FY 2020-21.
4. After the closure of the financial year the major moveable assets of the company which generated revenue were repossessed by the financiers.
5. The company has generated cash losses during the financial year, the net worth of the company has been fully eroded, and current liabilities are substantially higher than current assets.

Qualification

The facts mentioned above indicate a material uncertainty and cast significant doubt on the company's ability to continue as a going concern. However, in absence of adequate information we cannot quantify the net realizable amount of assets and liabilities of the company to be stated in the financial statements.



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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order

2. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) on the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For V.K. Sehgal & Associates
Chartered Accountants
(Firm's Registration No. 011519N)**

Sd/-
**Anuj Maheshwari
Partner
(Membership No. 096530)**

Date: June 07, 2021

Place: New Delhi



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ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Auditor's report to the Members of M/s MFL INDIA LIMITED of even date)

- i. In respect of the Company's fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, the records examined by us, we report that, no material discrepancies were noticed. However, after the end of financial year majors movable assets of the company were repossessed by the financiers which has affected the company has a going concern.
- ii. The Company is in the business of providing services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted secured and unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered under the register maintained under section 189 of the Companies Act, 2013, in respect of which:
 - (a) In view of (iii) above this reporting is not applicable.
 - (b) In view of (iii) above this reporting is not applicable.
 - (c) In view of (iii) above this reporting is not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

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- v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2021 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - b) There were no undisputed amounts payables in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
 - c) According to the information and explanations given to us and on the basis of our examination of the records the company has not defaulted in repayment of loans and borrowing to a financial institution, bank, Government, or dues to debenture holders.
- viii. The Company has defaulted in repayment of loans and borrowings from the financial institutions/Banks. The Bank has termed the credit facilities of the company as NPA with effect from October 2018. The term Loan treated as NPA by the bank is Rs. 6.94 crores and the working capital limits termed as NPA by the bank amounts to Rs. 30.36 Crores.
- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). The term loans raised during the year have been applied for the purposes for which they were raised.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.



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- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For V.K. Sehgal & Associates
Chartered Accountants
(Firm's Registration No. 011519N)

Sd/-
Anuj Maheshwari
Partner
(Membership No. 096530)

Date: June 07, 2021

Place: New Delhi



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ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of Auditor’s report to the Members of M/s MFL INDIA LIMITED of even date):

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of M/s MFL INDIA LIMITED (“the Company”) as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s

Judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For V.K. Sehgal & Associates
Chartered Accountants
(Firm's Registration No. 011519N)

Sd/-
Anuj Maheshwari
Partner
(Membership No. 096530)

Date: June 07, 2021

Place: New Delhi

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Balance Sheet

MFL INDIA LIMITED						
BALANCE SHEET AS AT MARCH 31, 2021						
Prepared in compliance with the Indian Accounting Standards (Ind-AS)						
(Figures in Rs.)						
S. No.	Particulars	Note No.	Figures as at 31st March, 2021		Figures as at 31st March, 2020	
			(Audited)		(Audited)	
I.	ASSETS					
1	Non-current assets					
	(a) Property, Plant and Equipment	1	18625954		18631678	
	(b) Capital work-in-progress				-	
	(c) Investment Property				-	
	(d) Goodwill	2	-		-	
	(e) Other Intangible assets				-	
	(f) Intangible assets Under Development				-	
	(g) Biological Assets other than bearer Plants				-	
	(h) Financial Assets					
	(i) Investments					
	(ii) Trade receivables					
	(iii) Loans					
	(iv) Security Deposits		1000000		1395000	
	(i) Deferred tax assets (net)	3			-	
	(j) Other Non current Assets		-		-	
				19625954		20026678
2	Current assets					
	(a) Inventories	4	5782814		14623333	
	(b) Financial Assets					
	(i) Investments					
	(ii) Trade receivables	5	42822113		4800610	
	(iii) Cash and cash equivalents	6	2678697		1194506	
	(iv) Bank balances other than (iii) above	7	-			
	(v) Loans & Advances	8	1721037		-	
	(vi) Others					
	(c) Current Tax Assets (Net)					
	(d) Other current assets	9	4964641		10438472	
				57969302		31056921
	Total Assets			77595256		51083597

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II.	EQUITY AND LIABILITIES					
3	Equity					
	(a) Equity Share capital	10	360,292,000		360,292,000	
	(b) Other Equity	11	(373709317)	-	(404108616)	(43816616)
				(12817317)		
4	Non-current liabilities					
	(a) Financial Liabilities					
	(i) Borrowings	12	75000000		89148630	
	(ii) Trade payables				-	
	(iii) Security Deposits		8000000			
	(b) Provisions				-	
	(c) Deferred Tax Liabilities	13			-	
	(d) Other Non current Liabilities		-	83000000	-	89148630
5	Current liabilities					
	(a) Financial Liabilities					
	(i) Borrowings	14			-	
	(ii) Trade payables	15	1925760		5453141	
	(iii) Other payables	16	405000		180000	
	(b) Other current liabilities	17	5081812		118442	
	(c) Provisions	18			-	
	(d) Current Tax Liabilities (Net)	19			-	
				7412572		5751382
	Total Equity and Liabilities			77595256		51083597



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STATEMENT OF PROFIT AND LOSS

FOR THE PERIOD ENDED MARCH 31, 2021

Prepared in compliance with the Indian Accounting Standards (Ind-AS)

(Figures in Rs.)

S. No.	Particulars	Note No.	Year Ended	
			March 31,2021	March 31,2020
			(Audited)	(Audited)
I.	INCOMES			
	Revenue From Operations	20	63124606	11943812
	Other Income	21	28627993	-
	i) Total Income		91752600	11943812
II.	EXPENSES			
	Operating expenses	22	48550560	7129000
	Purchase of stock in trade	23	17990772	19518237
	Employee benefits expense	24	256000	75000
	Changes in Inventory of Finished Goods	25	-5782814	-14623333
	Finance costs	26	298	5352
	Depreciation and amortization expense	27	-	5336
	Other expenses	28	1179736	1554251
	ii) Total Expenses		62194553	13663844
III.	Profit/(loss) before exceptional items and tax (i-ii)		29558047	-1720032
IV.	Exceptional Items			
V.	Profit/(loss) before tax (III-IV)		29558047	-1720032
VI.	Tax expense:			
	iii) Current tax		-	-
	iv) Deferred tax			-
	v) Tax paid/adjustment made for earlier years		-560529	
VII.	Profit/(loss) for the period (V-VI)		30118576	-1720032
VIII.	Other Comprehensive Income			
	A.(i) Items that will not be reclassified to P&L		-	-
	(ii) Income Tax Relating to items that will not be reclassified to Profit or Loss A/c		-	-
	B.(i) Items that will be reclassified to P&L		-	-
	(ii) Income Tax Relating to items that will be reclassified to Profit or Loss A/c		-	-
			-	-
IX.	Total Comprehensive Income for the period (VII+VIII)		30118576	(1720032)
X.	Earnings per equity share (for continuing operation):			
	(1) Basic		0.08	(0.00)
	(2) Diluted		0.08	(0.00)

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MFL INDIA LIMITED			
NOTES TO ACCOUNTS TO THE BALANCE SHEET AS AT 31ST MARCH, 2021			
		(Figures in Rs.)	
		March 31, 2021	March 31, 2020
3	Security Deposits		
	Security deposits from parties	10,00,000.00	13,95,000.00
	Total	10,00,000.00	13,95,000.00
4	Inventories		
	Stock in hand	57,82,814.00	1,46,23,333.00
	Total	-	-
5	Trade receivables		
	Sundry Debtors	4,28,22,113	16,43,31,254
	Less:-Provision for Doubtful debts	--	-15,95,30,644
	Total	4,28,22,113	48,00,610
6	Cash and cash equivalents		
	Cash in hand	1,41,250	1,64,000
	Balance in bank accounts	25,37,447	10,30,506
	Total	26,78,697	11,94,506
7	Bank balances other than included in cash and cash equivalent		
	Fixed deposits	-	-
	Total	-	-
8	Loans and Advances		
	SBI Advances for Loan Closure	-	-
	Advances to parties	17,21,037	-
	Total	17,21,037	-
9	Other current assets		
	Prepaid expenses	-	-
	TDS receivable	41,59,743	70,58,345
	Others	-	5,21,132

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	GST Receivable	8,04,898	28,58,994
	Total	49,64,641	1,04,38,472
12	Borrowings		
	Term Loans	-	-
	Unsecured loan from Director	7,50,00,000	8,91,48,630
	Total	7,50,00,000	8,91,48,630
13	Security Deposits		
	Security Deposit	80,00,000	-
	Total	80,00,000	
14	Deferred tax liability		
	Deffered tax liability	-	-
	Total	-	-
15	Borrowings		
	Bank overdraft	-	-
	Total	-	-
16	Trade payables		
	Sundry creditors	19,25,760	54,53,141
	Total	19,25,760	54,53,141
17	Other payables		
	Expenses Payable		
	Audit Fee Payable	4,05,000	1,80,000
	Salary payable	-	-
	Total	4,05,000	1,80,000
17	Other current liabilities		
	TDS Payable	2,99,721	1,18,441
	GST payable	47,82,091	-
	Staff advance	-	-
	Total	50,81,812	1,18,441
18	Provisions		

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	Provision for interest on Term loan and working capital loan		-	-
	Total		-	-
19	Current tax liabilities (Net)			
	Provision for taxation		-	-
	Total		-	-

NOTES TO ACCOUNTS TO THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2019

		(Figures in Rs.)	
		March 31,2021	March 31,2020
20	Revenue From Operations		
	Sale of services	16,49,00,939	1,19,43,812
	Total	16,49,00,939	1,19,43,812
21	Other Income		
	Interest on Fixed Deposits	2,795	-
	Profit on sale of Fixed assets	-	-
	Scrap Sale	-	-
	Shortage	-	-
	TDS Recoverable on interest	-	-
	Bad Debts Recovered	-	-
	Insurance Claim	-	-
	Interest on Income tax Return	4,74,620	-
	W/off (OTS with Bank)	-	-
	Total	4,77,415	33,39,47,419
22	Operating expenses		
	Freight charges	6,40,05,261	3,45,000
	Diesel And Fuel Expenses	17,86,578	67,84,000
	Fleet expenses	6,485	-
	Custom Charges	-	-
	Other operating expenses	-	-
	Earnest Money Forfeited	-	-

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	Total	6,57,98,324	71,29,000
23	Purchase of stock in trade		
	Purchases	5,72,79,011	1,95,18,237
	Total	5,72,79,011	1,95,18,237
24	Employee benefits expense		
	Salary to staff	-	-
	Director Remuneration	-	-
	Staff welfare expenses	10,12,000	3,00,000
	PF & ESI	-	-
	Total	10,12,000	3,00,000
25	Changes in Inventory of Finished Goods		
	Opening Stock	1,46,23,333	-
	Less:- Closing stock	57,82,814	1,46,23,333
	Total	88,40,519	(1,46,23,333)
26	Finance costs		
	Interest to bank on term Loan	-	-
	Interest to bank on working capital	-	-
	Bank Charges	1,671	22,639
	Penal Interest charged by Bank	-	-
	Total	1,671	22,639
27	Depreciation and amortization expense		
	Depreciation on Fixed Assets	5,724	40,71,586
	Total	5,724	40,71,586
28	Other expenses		
	Vehicle Running & Maintenance	-	-
	Audit fees	2,50,000	200,000.00
	Telephone & Telex	-	-

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	Business Promotion	-	
	Advertisement Expense	-	56,363
	Conveyance Expenses	-	
	Donation	-	
	Electricity & Water Expenses	19,454	24,826
	General Expense	3,600	15,838
	Interest on TDS	9,706	72
	Loading & Unloading Expenses	-	
	Loss on Sale of Fixed Assets	-	25,32,005
	Rebate & Discount	-	
	Office Repair & Maintenance	22,188	
	Postage & Telegraph		
	Printing & stationary	4,500	3,000
	Professional & Legal Expenses	7,76,755	10,99,261
	Rent Office	2,40,000	1,20,000
	Website expenses	-	
	Misc expenses	-	
	Travelling		-
	Brokerage & Commission		
	Custom Charges	-	
	Insurance Expenses	-	
	Diwali and Bonus Expenses	-	5,22,288
	Bad Debts	6,76,133	3,25,662
	Total	20,02,335	48,99,316



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MFL INDIA LIMITED

Notes to Financial Statements for the year ended 31st March, 2021

Note-1: Company overview

MFL India Ltd. is a company rendering logistics and supply chain services all over the country. The Indian logistics & supply chain sector is increasingly becoming attractive to foreign and domestic operators as well as strategic and financial investors. The company has the mission to extend its operations to every nook and corner of the country in the years to come as the logistics & supply chain sector is also growing with the growing India.

The Company is a public limited company incorporated on 28/11/1981 in India and has its registered at 94/4, UG-F, UG-9 Village Patparganj, Delhi-110091, India. The Company has its listing on BSE Limited.

Note-2: Statement of compliance:

- a) The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
- b) Upto the year ended 31st March, 2021, the Company prepared its financial statements in accordance with the requirements of previous GAAP prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. These are the Company's first Ind AS financial statements.

Note-3: SIGNIFICANT POLICIES

a) Basis of preparation of financial statements

- i. In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2020, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").
- ii. The financial statements of the Company are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) on the accrual basis of accounting and historical cost convention except for certain material items that have been measured at fair value as required by the relevant Ind AS and explained in the ensuing policies below.
- iii. The financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest crore, except otherwise indicated.

b) Use of estimates and judgments

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- i) The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.
- ii) The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

c) Property, plant and equipment

- i) The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to Statement of Profit and Loss in the period in which the costs are incurred.
- ii) An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

d) Other Intangible assets

- i) Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.
- ii) Certain computer software costs are capitalized and recognised as intangible assets based on materiality, accounting prudence and significant benefits expected to flow therefrom for a period longer than one year.

e) Depreciation / Amortisation

- a. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.
- b. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.
- c. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained

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by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

- d. Depreciation on tangible assets is provided as per the provisions of Part B of Schedule II of the Companies Act, 2013 based on useful life and residual value notified for accounting purposes by Electricity Regulatory Authorities.
- e. Lease improvement costs are amortized over the period of the lease. Leasehold land acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized.

Estimated useful life of the assets are as follows:

Class of Property, plant and equipment	Useful life
Plant and equipment	07 years
Furniture and fixtures	09 years
Vehicles	07 years
Office equipment	4 years

- f. Useful life is either the period of time which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of asset. The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis.

f) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

g) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

h) Inventories:

Cost of inventories includes cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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Inventories of stores, spare parts, coal, fuel and loose tools are stated at the lower of weighted average cost and net realizable value. Net realizable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

i) Revenue recognition:

i. Sale of Services

Revenue is recognised to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

Revenue from sale of logistics and other related services is recognised when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract.

ii. interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

i) Employee benefits

The Company has following post-employment plans:

a. Defined contribution plans - provident fund

- I. Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund set up as trust and certain state plans like Employees' State Insurance. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.
- II. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

j) Taxation

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.



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a) Current tax

Current tax is the amount of tax payable based on the taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

k) Earnings per share

a. Basic earnings per share is computed by dividing the profit/ (loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

b. Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

l) Provisions, contingencies and commitments:

- a. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation
- b. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).
- c. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably
- d. A disclosure for contingent liabilities is made where there is-



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- i. a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- ii. a present obligation that arises from past events but is not recognized because:
- iii. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- iv. The amount of the obligation cannot be measured with sufficient reliability.
- e. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.
- f. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.
- g. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.
- h. Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

m) Financial instruments

Financial assets and financial liabilities are recognised when Company becomes a party to the contractual provisions of the instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and finance fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

a. Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or losses are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

b. Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) The contractual cash flow characteristics of the financial asset.



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c. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount -outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as fair value through profit or loss on initial recognition):

- a) the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in Statement of Profit and Loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to Statement of Profit and Loss.

All other financial assets are subsequently measured at fair value.

d. Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in Statement of Profit and Loss and is included in the "Other income" line item.

e. Financial liabilities

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

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f. Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

g. Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

n) Provision for liabilities and charges, Contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

o) Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information



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Note-4: NOTES TO ACCOUNTS

1. In the opinion of management, Current Assets, Loans and advances have a value on realization in the ordinary course of business at least equal to that sated in the Balance Sheet.
2. Capital and other commitments: The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2021 is NIL (Previous Year:-NIL).
3. Payment to Directors

Particulars	Current year	Previous Year
Remunerations	NIL	NIL

4. Payment to Auditor

Particulars	Current year	Previous Year
For Audit fee	2,50,000	2,00,000
For Tax Audit fee	NIL	NIL
For other Taxation matter	NIL	NIL
Service Tax/GST	45,000	36,000
Total	2,95,000	2,36,000

5. Expenditure in foreign currency

Particulars	Current year	Previous Year
For Travelling/others	NIL	NIL

6. Deferred Tax Provision for Deferred Tax Assets/Liabilities

Particulars	DTA	DTL
DTL as on 01/04/2020	NIL	NIL
DTL on Fixed Assets	NIL	NIL
DTL as on 31/03/2021	NIL	NIL

7. Debit and credit balances of suppliers, customers and other are subject to confirmation and reconciliation.
8. The earning per share, basic as well as diluted is Rs. (0.00) per share.
9. Notes 1-29 form as integral Para of the accounts and have been authenticated as such.

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10. Employee Benefits Disclosures required under Accounting Standard 15.

The provision of the Gratuity Act is not applicable to the company. The company does not have any employee more than five year old.

11. Related Party disclosure:

(I) Key Managerial Personnel;

Name of KMP	Designation
Anil Thukral	Managing Director
Khemraj	CFO

(II) The list of the concern where related parties are interested:

(a) Shri Krishan Aggregates Private Limited

During the year there were no related party transactions.

12. Additional information pursuant to the provisions of paragraph 3 and 4 of part II of Schedule III to the Companies Act, 2013.

13. Previous Year's figures have been regrouped, reclassified and rearranged in pursuant of Schedule III wherever necessary to correspond with the figures of the current year

For V.K. Sehgal & Associates
Chartered Accountants
(Firm's Reg. No. 011519N)

For and on behalf of Board of Directors
For MFL India Limited

Sd/-
CA Anuj Maheshwari
Partner
Membership No. 096530

Sd/-
Anil Thukral
Managing Director
DIN: 01168540

Sd/-
Syed Zameer Ulla
Director
DIN: 07486691

Date: June 07, 2021

Place: Delhi



MFL India Limited

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ATTENDANCE SLIP

38th Annual General Meeting

I/We hereby record my presence at the Annual General Meeting of the Company on Thursday, the 30th September 2021 at 09:00 A.M, at the registered office of the Company at 94/4, UG-F, UG-9 Village Patparganj, Delhi 110091, India.

Name of Shareholder/Proxy (IN BLOCK LETTERS)

Signature of Shareholder/Proxy

Folio No.-----

Client ID#-----

D.P I.D-----

No. of Shares:-----

(Applicable for Shareholders holding shares in dematerialized form)



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PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s) :

Registered Address :

E-mail Id :

Folio No/ Client Id/ DP ID :

I/We, being the member (s) of shares of the MFL India Limited, hereby appoint:

1. _____ (Name) of _____ (Address) having e-mail id _____ or failing him

2. _____ (Name) of _____ (Address) having e-mail id _____ or failing him

3. _____ (Name) of _____ (Address) having e-mail id _____

and whose signature(s) are appended below, as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual Ordinary General Meeting of the Company, to be Thursday, the 30th September, 2021 at 09:00 A.M. of the Company at 94/4, UG-F, UG-9 Village Patparganj, Delhi 110091, India and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolutions	For	Against
1.	Adoption of Audited Financial Statements of the Company for the Financial Year ended 31 st March, 2021 including Balance Sheet, Statement of Profit & Loss, Cash flow statement and the Reports of Auditors and Directors thereon.		
2.	To appoint a director in place of Mr. Nawab Khan (DIN: 08065674) who retires by rotation and, being eligible, offers himself for re-appointment		
3.	To reduce share capital under section 66 of the Company Act, 2013 upto 90 % of the present issued, subscribed and paid-up share capital of the company.		

Signed this..... day of..... 2021 _____

Signature of shareholder

Signature of 1 st proxy holder

Signature of 2nd proxy holder

Signature of 3rd proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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POSTAL BALLOT FORM

Registered Folio No	DP ID No	Client ID No	No
			No. of Shares held

Name and Address of the Sole/
First named Shareholder
Joint Holder's Name (if any)

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed through Postal Ballot for the businesses stated in the Notice of the Company dated 30th September 2021 by sending my/our assent or dissent to the said resolutions by placing a tick mark (√) in the appropriate box below:

Item No	Description	No. of Shares Held	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Adoption of Audited Financial Statements of the Company for the Financial Year ended 31 st March, 2021 including Balance Sheet, Statement of Profit & Loss, Cash flow statement and the Reports of Auditors and Directors thereon			
2.	To appoint a Director in place of Mr. Nawab Khan (DIN: 08065674) who retires by rotation and, being eligible, offers himself for re-appointment			
3.	To reduce share capital under section 66 of the Company Act, 2013 upto 90 % of the present issued, subscribed and paid-up share capital of the company.			

Place:

Date:

Signature of Shareholder

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39th
ANNUAL REPORT

2021-2022

MFL INDIA LIMITED



MFL India Limited

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CORPORATE INFORMATION

CIN: L63040DL1981PLC012730

BOARD OF DIRECTORS

Mr. Anil Thukral	DIN: 01168540 (Managing Director)
Mr. Syed Zameer Ulla	DIN: 07486691 (Professional Director)
Ms. Pratiksha Anant Patil	DIN: 07887358 (Independent Director)
Mr. Nawab Khan	DIN: 08065674 (Independent Director)

Chief Financial Officer

Mr. Khemraj \

Company Secretary

Ms. Ritu Sharma

Statutory Auditors

M/s V.K. Sehgal & Associates
Chartered Accountants
New Delhi

Internal Auditors

M/s APJ & Co.
Chartered Accountants
Gurgaon

Secretarial Auditor

M/s Manoj Purvey & Associates
Company Secretaries
New Delhi

Bankers

State Bank of India

Share Transfer Agents

Link Intime India Pvt. Ltd.

**MFL India Limited**

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A-44, Community Centre, 2ndFloor,
Naraina Industrial Area, Phase-I
New Delhi-1100028
Tel-91-11-4140592-93-94
Fax-91-11-41410591

For Dematerialisation of Shares

ISIN NO. INE244CO1012

Registered Office

94/4, UG-F, UG-9,
Village- Patparganj, Delhi-110091
Email-mfldelhi81@gmail.com
Website- www.mflindia.co.in



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NOTICE OF 39TH ANNUAL GENERAL MEETING

Notice is hereby given that 39th Annual General Meeting of the members of **MFL India Limited** will be held on Friday, 30th September 2022 at 09:00 A.M. at G-1, Ground Floor, Well King Towers, 94/4, Main Market, Patparganj, Mayur Vihar, Phase-I, Delhi-110091 to transact the following businesses.

Ordinary Business:

Item No.1

To receive, and adoption of Financial Statements of the Company for the Financial Year ended 31st March 2022 and the Reports of Board of Directors and Auditor thereon.

Item No. 2

To appoint a director in place of Mr. Anil Thukral (DIN: 01168540) who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

Item No :3

TO TAKE THE APPROVAL FOR RAISING THE LOAN WITH THE OPTION TO CONVERT INTO EQUITY

To consider and, if thought fit, to pass with or without modification (s) the following Resolution as Special Resolution:

"RESOLVED THAT pursuant to section 180 (1) (C) read with section 62(3) of the Companies Act, 2013 ("the Act"), and any other applicable provisions the Act and rules framed thereunder and in accordance with the Memorandum of Association and Articles of Association of the company and read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable regulations issued by Securities and Exchange Board of India (SEBI) (as amended from time to time) and subject to all such consent(s), permission(s), sanction(s) of the concerned authorities, as may be required, including any such condition(s) and modification(s) as may be prescribed or imposed, while granting such consent(s), permission(s) or sanction(s), subject to the approval of members, the consent of the Board of Directors of the Company be and is hereby accorded to raise the loan to the tune of Rs. 21,00,00,000 (Twenty-One Crore Only) apart from existing loan with an option to convert such loan into the equity shares within a period of 3 years from the date of disbursement."

RESOLVED FURTHER THAT the such loan may be converted into such number of equity shares of the face value of INR 1./- each (One Rupees only) to such specified person whose



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name are given in the explanatory statement upon the exercise of the right of specified person to convert certain outstanding credit facilities granted by specified person (hereinafter referred to as the "Lender"), which shall not exceed the amount of principal of INR 21,00,00,000 (Twenty-One Crore Only) and interest outstanding as on that date of conversion in accordance with the terms of the agreement at a price as per the rules and regulations prescribed by Securities Exchange Board of India ("SEBI") and the applicable provisions of the Companies Act, 2013 as amended from time to time and in accordance with the following conditions:

- (i) the conversion right reserved as aforesaid shall be exercised by the Lender on one or more occasions within a period of 3 years from the date of disbursement and in case of default of principal and interest amount.
- (ii) on receipt of the Notice of Conversion, the Company shall, subject to the provisions of the financing documents, issue and allot the requisite number of fully paid-up equity shares to the Lender or any other person identified by the Lender as from the date of conversion and the Lender may accept the same in satisfaction of the part of the loans so converted.
- (iii) the part of the loan so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced. Upon such conversion, the repayment instalments of the loan payable after the date of conversion as per the financing documents shall stand reduced proportionately by the amount of the loan so converted. The equity shares so allotted and issued to the Lender or such other person identified by the Lender shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Company. Save as aforesaid, the said shares shall rank pari passu with the existing equity shares of the Company in all respects.
- (iv) In the event that the Lenders exercise the conversion right as aforesaid, the Company shall at its cost get the equity shares, issued to the Lenders or such other person identified by the Lenders as a result of the conversion, and list the shares in the Stock exchanges where Company's shares are presently listed and for the said purpose the Company shall take all such steps as may be necessary to ensure that the equity shares are listed in the Stock Exchanges.
- (v) The loans shall be converted into equity shares at a price to be determined in accordance with the applicable Securities and Exchange Board of India Regulations at the time of such conversion.

FURTHER RESOLVED THAT the Board be and is hereby authorized to finalise the terms and conditions to convert the Loan into equity shares of the Company on the terms specified in the financing documents, including upon happening of an event of default by the Company in terms of the loan arrangements.

FURTHER RESOLVED THAT on receipt of the Notice of Conversion, the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary and shall issue and allot requisite number of fully paid-up equity shares in the Company to the specified person as mention in the explanatory statement.



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FURTHER RESOLVED THAT the Board be and is hereby authorized to offer, issue, and allot from time to time to the Lender such number of equity shares for conversion of the outstanding portion of the loans as may be desired by the Lender.

FURTHER RESOLVED THAT the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lender arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.

FURTHER RESOLVED THAT for the purpose of giving effect to the above resolution, the Board / Committee be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and the Board/ Committee is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise with regard to such payment and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board / Committee in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.

FURTHER RESOLVED THAT the Board be and is hereby also authorized to delegate all or any of the powers herein conferred by this resolution on it, to any committee of Directors or any person or persons, as it may in its absolute discretion deem fit to give effect to this resolution."

Item No: 4

APPROVAL FOR RELATED PARTY TRANSACTIONS

To consider and, if thought fit, to pass with or without modification (s) the following Resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party transaction(s), and pursuant to the consent of the Audit Committee, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to purchase the stone crusher plant together with Stock and other assets in relation to the stone crusher plant from M/s. Shri Krishan Aggregates

Private Limited., a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, 2015 for a consideration of as mentioned in the table below, on such terms and conditions as may be deemed fit by the Board



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S. No	Particulars	Consideration Amount
1.	Stone Crusher Plant	Rs. 3,85,00,000
2.	Stock of stone (boulder)	Stock will be valued at the prevailing market price at the date of transfer of stock

RESOLVED FURTHER THAT the any Board of Directors of the Company be and is hereby authorised and empowered to finalize and execute necessary documents including but not limited to definitive Agreements, deeds of assignment / conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to purchase of the stone crusher plant together with Stock and other assets in relation to the stone crusher plant as they may in their absolute discretion deem fit.

Item No:5**TO PURCHASE OF LAND**

To consider and if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party transaction(s), and pursuant to the consent of the Audit Committee, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to purchase the Land situated at Khasra No. 3717, 3718, 3743 and 3744, Sanjay Nagar, Papurana, Khetri, Jhunjhunu, Rajasthan-333503, area 1 hectare approx from Shri Krishan Aggregates Private Limited., a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, 2015 for a consideration of Rs. 50,00,000/- (Rupees Fifty Lakh Only) and on such terms and conditions as may be deemed fit by the Board.

RESOLVED FURTHER THAT the any Board of Directors of the Company be and is hereby authorised and empowered to finalize and execute necessary documents including but not limited to Agreements, conveyance deed and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to Purchase of the Land as they may in their absolute discretion deem fit.



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**By order of Board of Directors
MFL India Limited**

Date: 05.09.2022

Place: Delhi

Sd/-

Managing Director

Anil Thukral

DIN: 01168540

Notes:

1. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Meeting is annexed.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and, on a poll, to vote instead of himself and the Proxy need not be a member of the company.
3. Proxies, in order to be effective, must be received in the enclosed Proxy Form at the Registered Office of the company not less than forty-eight hours before the time fixed for the Meeting.
4. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A Member holding more than ten percent of total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.
6. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form is requested to write their Folio Number in the attendance slip for attending the Meeting.
7. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company. All documents referred to in the Notice and accompanying explanatory statement are open for inspection at the Registered Office of the company on all working days of the company between 11:00 a.m. and 1:00 p.m. up to the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the company.



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9. Electronic copy of the Annual Report is being sent to all the Members whose email IDs are registered with the company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode. In case you wish to get a physical copy of the Annual Report, you may send your request to mfldelhi81@gmail.com mentioning your folio/DP ID and Client ID. Annual Reports is also available in the Financials section on the website of the company at www.mflindia.info

10. Members holding shares in physical mode are requested to register their email IDs with the Registrar & Share Transfer Agents of the company and Members holding shares in demat mode are requested to register their email IDs with their respective DP in case the same is still not registered. Members are also requested to notify any change in their email ID or bank mandates or address to the company and always quote their Folio Number or DP ID and Client ID Numbers in all correspondence with the company. In respect of holding in electronic form, Members are requested to notify any change of email ID or bank mandates or address to their Depository Participants.

11. Members holding shares in electronic form may please note that their bank details as furnished to the respective Depositories will be printed on their dividend warrants as per the applicable regulations. The company will not entertain any direct request from such Members for deletion or change of such bank details. Instructions, if any, already given by Members in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares in electronic form.

12. Any query relating to financial statements must be sent to the company's Registered Office at least seven days before the date of the Meeting.

14. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the company to consolidate their holdings in one folio.

15. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation, which include easy liquidity, since trading is permitted in dematerialised form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

Members can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the company. Blank forms will be supplied on request

16. Shareholders are requested to promptly notify any change in their addresses.

17. The Register of Members and Share transfer books of the company shall remain closed from 24th September 2022 to 30th September 2022 (both days inclusive).



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18. Members/ Proxies should bring the attendance slips duly filled in for attending the meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

19. Member(s) can opt for only one mode of voting either physical voting at the annual general meeting or voting through E- Voting/ Ballot. A member, who has voted through E-Voting mechanism, is not debarred from participating in the general meeting physical. However, he shall not be allowed to vote in the meeting again and his earlier vote (cast through e-means) shall be treated as final.

20. It will be appreciated that queries, if any, on accounts and operations of the company are sent to the registered office of the company ten days in advance of the meeting so that the information may be made readily available.

21. Electronic copy of the Annual Report for the financial year 2021-22 is being sent to the shareholders whose email address are registered with the company or depository participants for communication with the company.

The shareholders whose email is not registered with the company; the Annual Report is sent to them in permitted mode.

22. Members are requested to bring their copy of Annual Report to the Meeting.

23. Voting through electronic means.

(a) In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Service provided by Central Securities Depository Limited (CSDL).

(b) The instructions for e-voting are as under:

The instructions for members for voting electronically are as under:

In case of member's reliving- mail:

(I) Log on to the e-voting website www.evotingindia.com during the voting period

(i) Click on "Shareholders" tab.

(ii) Now, select the "COMPANY NAME" from the dropdown menu and click on "SUBMIT"

(iii) Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.



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(iv) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first-time user, follow the steps given below.

(v) Now, fill up the following detail in the appropriate boxes:

For Members holding shares in Demat Form enter your 10-digit alpha-numeric *PAN said demat account or folio in dd/mm/yyyy format. The Dividend Bank Data as recorded in your demat account or in the company DOB Bank records for the said demat account or folio both demat shareholders as well as physical shareholders. Enter the Date of Birth as recorded in your demat account or in the company records for the Members who have not updated their PAN with the Company Depository Participant are requested to use the first two letters of your name and the sequence number in the PAN Field. E.g., If your name is Ramesh Kumar with sequence number 1 then enter RAOOOOOOOO1 in the PAN Field. Sequence no. will be provided as S1 No in your address Label. # Please enters any one of the details to low. In case both the details are not recorded with the depository or company Please enter the member id /folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT tab.

(vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members

(viii) Holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their low password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are legible to vote if company opts for e'-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Click on <Company Name> on which you choose to vote.

(x) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution. Click on the "Resolutions File Link if you wish to view the entire Resolutions.

(xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly mode your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print"



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option on the Voting page. If Demat account holder has forgotten the changed password, then enter the User ID and Captcha Code click on Forgot entering the details as prompted by the system.

(xiii) Institutional shareholders (i.e., other than Individuals, HUF, and NRI etc.) are required to log on <https://www.evotingindia.co.in> and register themselves as Corporate. After receiving the login details, they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to vary the same.

(xiv) In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) To 91. No. (xvii) Above to cast vote.

(B) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and E-voting manual available at www.evotingindia.co.in under help section or write an email to Helpdesk.evoting@cdslindia.com.

(xv) The e-Voting Period commences on 27th September 2022 (9:00 AM) and ends on 29th September 2022 (5:00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled CDSL for voting thereafter. Once the decision on a Resolution is cast by the shareholder, the shareholder is not allowed to change it subsequently. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on Mr. Amit Agrawal, Practicing Company Secretary (Membership No.5311) and has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the Votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the Votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared in the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be Placed on the company' in and the website of CDSL within two (2) days of passing of the resolutions at The AGM of the Company and communicated to the BSE Limited.

10. Explanatory statement for Item no. 3 to Item no 5 pursuant to section 102 of the Companies Act, 2013 is annexed to the notice.



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DIRECTORS' REPORT

To
The Members,

Your directors have pleasure in presenting the 39th Annual Report of the Company together with Audited Accounts and the Auditor's Report of your Company for the financial year ended on 31st March 2022.

MFL India Limited is a leading logistics company having operations PAN- India. Your company offers various services to clients such as transportation & trucking and successfully operates in the country.

MFL India Limited is firmly built on belief of offering unmatched quality services, driven by strong expertise and experience in providing customized and personalized services.

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner and reasonably present our situation, profits, and cash flows for the year.

The summarized financial performance for the year ended 31st March 2022 is as follows:

Financial Results

(Rs. In Lakhs)

Particulars	2021-22	2020-21
Sales, other income & prior period income	455.18	165.37
Expense	276.91	134.93
Profit/(Loss) before exceptional and extraordinary items	178.27	304.38
Exceptional items	-	-
Extraordinary items	-	-



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Profit/(Loss) before taxation	178.27	304.38
Less: Current Tax	0	0
Earlier Year Tax	0	0
Add: Deferred Tax /tax paid / adjustments made earlier year	0	(5.60)
Profit/(Loss) for the period from continuing operations	178.27	309.99
Profit/(Loss) for the period from discontinuing operations	-	-
Tax expenses of discontinuing operations.	-	-
Profit/(Loss) for the period	178.27	309.99

Financial Performance

For the financial year ended March 31, 2022, your Company earned Profit/Loss before Tax of Rs. 178.27 Lakhs as against Profit of Rs.309.99 Lakhs in the previous financial year. The total income for the year under consideration is Rs. 455.18 Lakhs and total expenditure is Rs. 276.91 Lakhs.

Number of Board Meeting

Five Board Meetings were held during the year, as against the minimum requirement of four meetings.

The details of Board Meetings are given below:

Date	Board Strength	No of Directors Present
25.06.2021	4	4
13.08.2021	4	4
04.09.2021	4	4
13.11.2021	4	4
14.02.2022	4	4

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Dividend

Due to the requirement of fund, your director has not declared any dividend during the financial year ended 31st March 2022.

Segment wise performance

The Company operates in only one segment i.e., Transportation/Trucking, and therefore, has no separate reportable segments.

Outlook

MFL India Limited is a premier transport and Logistics Company with Pan-India coverage. Company is on track to achieve its expansion objectives. There is a tremendous demand for Logistics in India. Hence MFL India Limited immediate focus will be to bridge this gap by ramping up capacities across the country.

Your Company has since last few years taken initiatives to broaden its fleet base to minimize the risks and maximize the gains. In its effort in this regard, the Company has been adding more fleet for domestic operations. With expansion of fleet the Company would be in a better position to maximize its gains from the markets.

Internal Financial Controls

Your Company has established and maintained a framework of internal financial controls and compliance systems. Based on the same and the work performed by the internal auditors, statutory auditors and external agencies and the reviews performed by Top Management team and the Audit Committee, your directors are of the opinion that your Company's Internal Financial Controls were not adequate and not effective during the financial year 2021-22.

Further the statutory auditors of your company have also issued a report on internal control over financial reporting (as defined in section 143 of Companies Act 2013) for the financial year ended March 31, 2022, which forms part to the Statutory Auditors Report.

Corporate Social Responsibility

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

Risks and Concerns

The Board of Directors has put in place a Risk Management policy for the Company, which includes industry risks, quality risks, project risks and financial/ interest rate / liquidity risks and the structure, infrastructure, processes, awareness, and risk assessment / minimization procedures. The elements of the risk, which in severe form can threaten Company's existence, have been identified by the Board of Directors to mitigate the same.



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Deposits

During the year under review the Company has not accepted any money from the public as Deposits.

Particulars of Contracts or Arrangements with Related Parties

All contracts/ arrangements/ transaction entered by the Company during the financial year with related parties in the ordinary course of business and on arm's length price basis. During the year the Company has entered contracts/ arrangements/ transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. transaction description is provided in the Additional notes of Accounts.

Meeting of independent director

During the year under review, an annual Independent Directors meeting was convened on September 05, 2021, and February 08, 2022, to review the performance of the Non-Independent/ Non-Executive Directors including the Chairman of the Board and performance of the Board as a whole. The Non- Independent Directors did not take part in the meeting. In accordance with the Listing Regulations, following matters were, inter alia, discussed in the meeting:

- Performance of Non-Independent Directors and Board as a whole,
- Performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors,
- Assessment of the quality, quantity, and timeliness of flow of information between the Company,
- Management and the Board that is necessary for the Board to Perform their duties effectively and reasonably,

Declaration by the Independent Directors

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, all the Independent Directors of your Company have given declaration that they have met the criteria of independence as required under the Act and the regulations.

Familiarization Programme for Independent Directors

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.



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Share Capital

During the year, there is no change in the Equity Share Capital of the Company in the Financial Year 2021-22.

Evaluation of Directors, Board and Committee

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI under Clause 49 of the Equity Listing Agreement, the Board of Directors (“Board”) has carried out an annual evaluation of its own performance, and that of its committees and individual Directors.

The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee Members. The Nomination and Remuneration Committee (“NRC”) reviewed the performance of the individual Directors. A separate meeting of Independent Directors was also held to review the performance of Non-Independent Directors; performance of the Board as a whole and performance of the Chairperson of the Company, considering the views of Executive Directors and Non-Executive Directors. This was followed by a Board meeting that discussed the performance of the Board, its committees, and individual Directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure; effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairperson was also evaluated on the key aspects of his role.

Directors and Key Managerial Personnel (KMP)

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Nawab Khan, Director, who retires by rotation and being eligible, has offered himself for re-appointment. In compliance with Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, brief resume of all the Directors proposed to be appointed / re-appointed are attached along with the Notice of the ensuing Annual General Meeting. Apart from the above, there have been no changes in Directors and KMP.

Board Committees

Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Stakeholders Relationship Committee, number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.



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Remuneration Committees

The Company has in place a Remuneration Policy for the Directors, Key Managerial Personnel, and other employees, pursuant to the provisions of the Act and Clause 49 of the Listing Agreement.

Increase in Managerial Remuneration

During the financial year 2021-22, there was no hike in remuneration of managing Director and whole-time director which is provided below: **Nil**

Name Of Director	Designation	Remuneration

Insider Trading Regulations

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, the code of conduct for prohibition of insider trading, as approved by the Company. The Company has also adopted the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees, and other employees from trading in the securities of the Company at the time when there is unpublished price sensitive information.

Insurance and Risk Management

The Company has constituted a Risk Management Committee (RMC) which has been entrusted with responsibility to assist the Board in

- a) Overseeing the Company's risk management process and controls, risk tolerance and capital liquidity and funding.
- (b) Setting strategic plans and objectives for risk management and review of risk assessment of the Company
- (c) Review the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks.

The Committee has also approved and adopted Risk Committee Charter. The Company has adopted a Risk Management Policy in accordance with the provisions of the Companies Act, 2013 (hereinafter referred to as the Act) and Clause 49 of the Listing Agreement. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.

The Board takes responsibility for the overall process of risk management in the organization. Through Enterprise Risk Management programme, Business Units and Corporate functions address opportunities and the attendant risks through an institutionalized approach aligned to the Company's objectives. This is facilitated by internal audit. The business risk is managed through.



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Cross functional involvement and communication across businesses. The results of the risk assessment and residual risks are presented to the senior management. Prior to constituting the RMC, the Audit Committee was reviewing business risk areas covering operational, financial, strategic, and regulatory risks.

Employees Stock Option Scheme

During the year under review, the Company has not issued any ESOPs.

Statutory Auditors

M/s V.K. Sehgal & Associates, Chartered Accountants, (FRN: 011519N), 201- Harsha Bhawan, 64-65, Nehru Place, New Delhi-110019 were appointed as Statutory Auditors of the Company for a period of 5 years and to hold office from the conclusion of 35th Annual General Meeting of the company up to the 40th AGM which will be held in calendar year 2023 and in this regard the board of directors and audit committee of the Company be and are hereby authorized to fix their remuneration plus travelling and other out of pocket expenses incurred by them in connection with statutory audit or continuous audit and also such other remuneration, as may be decided to be paid by the Board of Directors and Audit Committee of the Company, for performing duties other than those referred to herein above.

Independent Auditor's Report

The Auditors in their report have referred to the notes forming parts of Accounts. The said notes are self-explanatory but need to require some clarification about the Company's ability to continue going concern basis, as per Auditor's Report.

The auditor had made the qualification in their report and cast the doubt on the company's ability to continue as a going concern. In this regard it is to hereby submit that the director's of the company is striving for the continuous of the business operation of the company and in discussion with various strategical investors to infuse the fund into the business of the company and the director's are positive, the company will bring into the business in next couple of months.

Internal Auditors

M/s APJ & Company, Chartered Accountants, has been appointed in your company for the purpose of Internal Audit for the Financial Year 2021-22. Your board of directors has re-appointed M/s APJ & Company, Chartered Accountants as internal auditor for the Financial Year 2022-23.

Secretarial Audit and the Appointment of Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Manoj Purvey & Associates, a practicing Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith.

Cost Audit



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The cost audit is not applicable on our company.

Buy Back of Shares

The Company has not made any offer to Buy Back of its shares, during the year under review.

Particulars of Employees

No employee of the Company is covered under section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended to date.

Conservation Of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo

Information's furnished in Annexure "1" and forms part of this report.

Report On Corporate Governance

As stipulated by clause 49 of the Listing Agreement, the Report on Corporate Governance is given separately in this Annual Report. The Certificate of M/s. Amit Agrawal, Company Secretary in Practice, regarding the Compliance of Clause 49 of the Listing Agreement is enclosed herewith and form part of Directors' Report.

Web Link of Annual Return If Any

The Extract of the annual return in the form of MGT-9 is available on the Company web site i.e., www.mflindia.info

Corporate Governance

Pursuant to Schedule V of the SEBI Regulation the following Reports/Certificates form part of the Annual Report.

- The Report on Corporate Governance.
- The Certificate duly signed by Chief Financial Officer on the Financial Statements of the Company for the year ended March 31, 2022, as submitted to the Board of Directors at their meeting held on September 5, 2022.
- The declaration by the Managing Director regarding compliance by the Board members and senior management personnel with the Company's Code of Conduct.

Vigil Mechanism

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee



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Compliance with Provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. The Company is committed to providing equal opportunities without regard to their race, caste, sex, religion, colour, nationality, disability, etc. All women associate (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this policy. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal, or psychological.

Directors' Responsibility Statement

In accordance with the provisions of section 134(5) the Board confirms and submits the Director's Responsibility Statement:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the company.
- d. The directors had prepared the annual accounts on a going concern basis.
- e. The directors, as the company is listed, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. "Internal financial controls" means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of the frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.
- g. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



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Acknowledgement

The Directors acknowledge with gratitude the support given to the Company by the dealers, customers and suppliers, shareholders and investors who indeed deserve a special mention for their faith and confidence reposed by them in the Company.

**By Order of the Board
MFL India Limited**

Place: New Delhi

Date: 05.09.2022

Sd/-
(Anil Thukral)
Managing Director
DIN -01168540

Sd/-
(Syed Zameer Ulla)
Director
DIN-07486691



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Management Discussion & Analysis and Review of Operations and Future Law

Overview

MFL India Limited is a premier transport and logistics company with Pan-India coverage; having a self-owned fleet of mixed variety high-volume / heavy-weight cargo carriers; along-with a diversified portfolio of transportation services that includes dedicated high-capacity trucks, trailers.

MFL's logistics' portfolio includes freight management, cargo brokerage, inter-modal is provided through MFL's domestic networked companies and include ocean, air and ground transportation.

The main commodities transported are retail store merchandise, 2- wheeler motorcycles / scooters, consumer products, FMCGs, other manufactured products and grocery products

Industry Structure

Logistics industry in India has huge demand especially with the growth of the Indian economy along with the influx of new companies in sectors that were otherwise unknown.

Indian Logistics Industry is expected to grow at a CAGR of 8.6 percent between 2017 and 2021. The key drivers of this growth are infrastructure investment associated with ports, airports, and other logistics development plans, domestic demand growth and increasing trade.

The industry comprises the following main segments:

- Freight and passenger transportation via road, rail, air and water
- Warehousing and cold storage

Development of transportation and logistics-related infrastructure such as dedicated freight corridors, logistics parks, free trade warehousing zones, and container freight stations are expected to improve efficiency. Government reform initiatives, promotion of manufacturing and trade, improving investment climate are expected to transform the industry and drive growth between 2020 and 2025.

Economic reforms, trade cooperation, improved transportation infrastructure, and industrial growth is ushering in increasing opportunities for the logistics service providers (LSPs) in India. Presently, the Indian logistics industry is witnessing development and expansion of its existing infrastructure, emergence of e-commerce specific logistics solutions, has a strong focus on manufacturing, but also has a large presence of unorganized service providers.

Key trends observed in the Indian logistics industry are:

- Government initiatives to promote the manufacturing sector and exports are likely to increase the demand for logistics functions. Trade with Asia, Europe, and North America are likely to remain major drivers for freight forwarding and transportation companies in the region.



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- Major investments by both public and private sectors in the last five years on infrastructure, technology upgrades and expansion of sea and airport facilities, and dedicated logistics corridor in the rail network are expected to strengthen the Indian logistics infrastructure.
- The booming e-commerce market in India is bringing in new opportunities for LSPs. The evolving business model(s) in this space focuses on containing logistics and delivery costs.
- The expected implementation of nationwide uniform GST is likely to transform the distribution structure of majority of industries as it eliminates the need for dedicated warehouses for each individual administrative region

India stands alone as an island of hope in an otherwise volatile, and uncertain, global economy. Recent policy initiatives and regulatory changes pursued by the government are aimed at accelerating India's GDP growth to 7.36% and beyond, in the near future. The logistics industry will be a direct beneficiary of this growth momentum. Equally, the ultimate winner within the logistics industry will be one who is able to outpace competition by delivering on the ever-increasing demands of service, quality, and cost in both B2B and B2C sectors.

Industry Development

The country's logistics industry which is worth around USD 160 billion is likely to touch USD 215 billion in the next two years with the implementation of GST. "With the implementation of GST, the Indian logistics market is expected to reach about USD 215 billion in 2020, growing at a CAGR of 10.5 per cent," Economic Survey 2018-19 tabled in Parliament. The Indian logistics industry which provides employment to more than 22 million people has grown at a compound annual growth rate (CAGR) of 7.8 per cent during the last five years, The Global Ranking of the World Bank's 2016 Logistics Performance Index shows that India jumped to 35th rank in 2016 from 54th rank in 2014 in terms of overall logistics performance. India has improved its rank in all the six components of logistics performance index. Realising the importance of the sector and to address the inefficiencies, the government has included the sector in the Harmonised Master List of Infrastructure Subsector. Inclusion of logistics sector in the Harmonised Master List of Infrastructure Subsector will benefit the sector in many ways, it will be helpful in facilitating the credit flow into the sector with longer tenures and reasonable interest rates, it said adding the infrastructure status will simplify the process of approval for construction of multi modal logistics (parks) facilities that includes both storage and transport infrastructure. "It will encourage market accountability through regulatory authority and will attract investments from debt and pension funds into recognised projects," it added. "It will encourage market accountability through regulatory authority and will attract investments from debt and Pension funds into recognized format.

To a large extent, the logistics sector in India remains unorganised, it said adding the industry is facing challenges such as high cost of logistics impacting competitiveness in domestic and global market, underdeveloped material handling infrastructure, fragmented warehousing and lack of seamless movement of goods across modes, among others, "In order to develop this sector in an integrated way, it is important to focus on new technology, improved investment, skilling, removing bottlenecks, improving inter modal transportation, automation, single window system for giving clearances, and simplifying processes," By recognising the importance of the



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sector, a new logistics division has been created in the Department of Commerce to develop and coordinate integrated development of the industry, improvement in existing procedures, identification of bottlenecks and gaps, and introduction of technology-based interventions in this sector, the survey said

Improving logistics sector has huge implication on exports and it is estimated that a 10 per cent decrease in indirect logistics cost can increase 5-8 per cent of exports, apart from increasing trade, better performance in logistics will augment programmes like Make in India, and also enable India to become an important part of the global supply chain.

Recent Scenario

The recent Indian logistics sector comprises of inbound and outbound segments of the manufacturing and service supply chains. Of late, the logistics infrastructure has gained a lot of attention both from business industry as well as policy makers. The role of managing this infrastructure, to effectively compete has been slightly under-emphasized.

Inadequate logistics infrastructure has an effect of creating bottlenecks in the growth of an economy. The logistics management regimen has the capability of overcoming the disadvantages of the infrastructure in the short run while providing cutting edge competitiveness in the long term. There exist several challenges and opportunities for logistic sector in the Indian economy.

Challenges Faced by the Recent Logistic Industry in India

An essential challenge faced by the industry today is the insufficient integration of transport networks, information technology, and warehousing & distribution facilities. Regulations exist at a number of different tiers, is imposed by national, regional, and local authorities. However, the regulations differ from city to city, hindering the creation of national networks.

Trained manpower is essential both for the third-party logistics sector as well as the manufacturing and retailing sectors, which is very weak at a practical level, i.e., IT, driving and warehouse as well as at a higher strategic level. The disorganized nature of the logistics sector in India, its perception as a manpower-heavy industry and lack of adequate training institutions has led to a shortfall in skilled management and client service personnel. There is a lack of IT standard, equipment, and poor systems integration.

Poor facilities and management are the reason for high levels of loss, damage, and deterioration of stock, mainly in the perishables sector. Part of the problem is insufficient specialist equipment, i.e., proper refrigerated storage and containers, but it is also partly down to lack of training. The practitioners and the academicians are now aware of the importance of logistics and supply chain; however, the field is still under-penetrated as far as research is concerned. It is essential to prioritize research and development so that the weaknesses in the industry can be taken care of and improved.



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Solutions to Some of the Challenges

Infrastructure is the backbone of every country's growth and prosperity and for the logistics industry to flourish special emphasis has to be on building world-class road networks, integrated rail corridors, Modern cargo facilities at airports and creation of logistics parks which need to be given a status equivalent to Special Economic Zones.

It is necessary to realize that the benefits which can best be practiced in logistics industry can be brought about by the companies by establishing training intuitions so that there is improvement in the overall service quality of the sector. Good storage and Warehousing facilities are important for the growth of the logistics industry. With the increase in the transportation of perishable products, the logistics agencies need to give a lot of importance to enhancing the Warehousing facilities.

Warehousing is required to go to the next level taking into account the changing dynamics of JIT manufacturing, global procurement and new models of sales and distribution. Emphasis on research and development is potent mainly because it encourages the use of indigenous technology which can make the industry cost competitive and can also bring about improvement in services thereby using better, effective, and efficient services. Particular focus has to be on research in process excellence which can help to eliminate inefficiencies and bring Indian logistics on par with global practices.

Future Prospects

The logistics firms are moving from a traditional setup to the integration of IT and technology to their operations to reduce the costs incurred as well as to meet the service demands. The growth of the Indian logistics sector depends upon its soft infrastructure like education, training, and policy framework as much as the hard infrastructure.

To support India's fast-paced economy growth of logistics industry is very essential. It is estimated that the Indian logistics industry will continue to show robust growth of 10-15% annually, leading the pace of growth of the economy at large.

The global economic outlook, indeed, that of India is expected to significantly improve as India Inc begins to tackle the economic downturn. With a new government many policies are expected to be implemented which will give a fresh impetus to India's growth engine particularly in the corporate and SME sector which in turn will expand demand for the logistics sector.

With the implementation of GST, logistics companies, which are currently forced to set up many small warehouses across multiple cities can set up just a few, big warehouses region wise and can follow the hub-and-spoke model for freight movement from the warehouses to the different manufacturing plants, wholesale outlets, retail outlets and the various POS. This growth is backed by the boom in the e-commerce sector and expansionary policies of the FMCG firms.

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This has increased the service geography of the logistics firms, but they also have to meet the demands of quick delivery and tight service level agreements. The industry has moved from being just a service provider to the position which provides end to end supply chain solutions to their customers. Thus, all this has paved the way for further growth of Logistics and Warehousing industry in the coming years.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's strategies on business, projections and estimates are forward looking statements. The actual results may vary from those expressed or implied, depending upon economic conditions, Government policies, regulations, tax laws and other incidental factors.



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Annexure to the Directors' Report

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 forming part of Directors' Report.

1. Conservation of Energy

The Company Continuous its in-house programme of enlightening and educating commercial vehicle drivers for greater fuel efficiencies. All the vehicles owned by the company undergo an intensive Planned Preventive Maintenance (PPM) drill to keep the vehicles in top running conditions with special emphasis on fuel conservation.

2. Research & Development

The operations of the Company do not require any elaborate R& D Activities. The Company however maintains the quality of its services by constant quality control & evaluation for improvement of existing services.

3. Technology Absorption, Adoption & Innovation

No technical tie up has been entered so far. The Company however keeps itself abreast of the latest technological changes.

4. Foreign Exchange Earnings & Outgo

Total foreign exchange earned & used

i) foreign exchange earned NIL

ii) foreign exchange used NIL

5. MR -3 Secretarial audit report as per attachment

6. <https://www.mflindia.info/> Link of the website for AGM notice with explanatory notes and Annual Return

**By order of the Board
MFL India Limited**

Sd/-
(Anil Thukral)
Managing Director
DIN-01168540

Sd/-
(Syed Zameer Ulla)
Director
DIN-07486691

Place: New Delhi

Date: 05.09.2022

**MFL India Limited**

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To,

The Members,

MFL India Limited

CIN: L63040DL1981PLC012730

94/4, UG-F, UG-9 Village Patparganj,
Delhi-110091

Our Secretarial Audit Report of even date is to be read along with this letter:

Management's Responsibility

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from this company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliances of laws, rules and regulations and happening of events etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date : 26/08/2022

Place: Delhi

For Manoj Purbey & Associates
(Companies Secretaries)

Sd/-

CS Avinash Kumar
(Partner)

M. No. 43422, CP: .18318
UDIN No. A043422D000856179



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Secretarial Audit Report **Form No. MR-3**

For The Financial Year Ended 31st March 2022
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
MFL India Limited
CIN: L63040DL1981PLC012730
94/4, UG-F, UG-9 Village Patparganj,
Delhi-110091

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. MFL India Limited. (Hereinafter called the Company) having its registered office at 94/4, UG-F, UG-9 Village Patparganj, Delhi-110091. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the MFL India Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by MFL India Limited for the financial year ended on 31st March 2022 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under.
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed there under.
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.



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- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
- g) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- VI. Applicable Secretarial Standards issued by the Institute of Company Secretaries of India.
- VII. The Listing Agreements entered into by the Company with Stock Exchange(s) Other laws:
 - a) Indian Stamp Act to the extent applicable to the issue of Securities under the Companies Act, 2013.
 - b) Foreign Exchange management act, 1999 and the rules and regulations made there under to the extent of foreign direct investment

Other Laws applicable specifically to the Company namely:

- I. The Motor Vehicles Act, 1988
- II. Motor Transport Workers Act, 1961
- III. Employee Provident Fund Scheme, 1952
- IV. Employee State Insurance Act, 1948
- V. Information Technology Act, 2000
- VI. Payment of Gratuity Act, 1972

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- III. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to our below observation.



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- a. *The Company has not comply with the provision of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding the updation of website.*
- b. *The Company has not submitted disclosure of related party transactions on consolidated basis for the quarter ended 31st March 2022.*
- c. *The Company has not Comply with the Regulation 31 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 delay in submission of shareholding pattern for the quarter ended 31st December 2021.*
- d. *The Company delay in furnishing prior intimation of meeting of Board of Directors as per the Provisions of Regulation 29(2)/29(3) for the quarter ended 30th June 2021.*
- e. *The Company has not Comply with the Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 delay in submission of financial results of Quarter ended December 2021.*
- f. *The Company has not comply with the provision of Regulation 13(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 delay in submission of Investor Compliant report for the quarter ended 2021.*
- g. *The Company has not complied the provisions of section 203 regarding appointment of Company Secretary from December 2021 to April 2022.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. No Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, however the company secretary has been resigned from the post of CS as on 14th February 2022.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that the compliance by the company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been

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reviewed in this Audit since the same have been subject to review by statutory financial audit by another designated professional.

We further report that during the audit period, the Company has provided details of specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above including the following:

a. The company has filed an application to BSE LTD. for reduction of share capital.

For Manoj Purbey & Associates
(Companies Secretaries)

Date : 26/08/2022

Place: Delhi

Sd/-

CS Avinash Kumar
(Partner)

M. No. 43422, CP: .18318
UDIN No. A043422D000856179



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Report on Corporate Governance

Company's Philosophy on Corporate Governance

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At MFL India Limited, good Corporate Governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. Your Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment, and regulatory compliances. Your Company is committed to the standards of Good Corporate Governance and adopted the principles of Good Corporate Governance in line with the requirements of the Corporate Practices enumerated in accordance with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes.

The Company aims to achieve greater transparency by making adequate disclosures and enhancing long term economic value of its Shareholders, while giving equal respect to the society at large. Given below is a brief report by the Director(s) on the practices followed at MFL India Limited to strive towards achievement of goal of Good 'Corporate Governance'.

- a) Enhancing long term Shareholder value through
 - Assisting the top management in taking sound business decisions; and
 - Prudent financial management.
- b) Achieving transparency and professionalism in all decisions and activities of the Company.
- c) Achieving excellence in Corporate Governance by
 - Conforming to the prevalent guidelines on Corporate Governance, and excelling in, wherever possible.
 - Reviewing periodically the existing systems and controls for further improvements

Policies

In compliance with the requirements of Listing Agreements with Stock Exchanges, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), SEBI Regulations and Companies Act, 2013, Board of Directors of the Company has approved various policies, as detailed herein:

Whistle Blower & Vigil Mechanism Policy

As per Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, Whistle Blower and Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables the Employees and Directors to raise, and report concerns about unethical behaviour, actual or suspected fraud of any Director and/or Employee of the Company or any violation of the Code of Conduct. This Policy is available on the Company's website www.mfliindia.info Further during the year under review, no case was reported under the Vigil Mechanism. No person was denied access to the Audit Committee.

Code of Conduct

The Company has also adopted a Code of Conduct for the Members of the Board of Directors and Senior Management. All the Directors and senior functionaries, as defined in the said code, provide



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their annual confirmation of compliance with the Code. The copy of the code is available on the website of the Company www.mflindia.info Besides the Code, the Company has also put in place a Policy on Ethics at Workplace which is applicable to all employees. The role and responsibilities of Independent Directors as prescribed in Schedule IV of the Companies Act, 2013 and/or prescribed in Listing Regulations forms part of the appointment letters issued to Independent Directors.

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below:

DECLARATION

I confirm that the Company has obtained from all Directors and Senior Management Personnel of the Company their affirmation of compliance with the Code of Conduct for Members of the Board and Senior Management of the Company for the financial year ended March 31, 2022.

ANIL THUKRAL

Managing Director

H. No. G 504, Park View City,

Sector 48, Gurgaon 122001

05.09.2019

Policies & Code as Per SEBI Insider Trading Regulations

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Compliance officer is responsible for implementation of the Code.

All Board of Directors and the designated employees have confirmed compliance with the Code.

Familiarisation Program for Independent Directors

Independent Directors are familiarised with their roles, rights, and responsibilities in the Company as well as with the nature of industry and business model of the Company through induction programs at the time of their appointment as Directors and at regular intervals through deep dive on various business segments of the Company. While review and approval of quarterly and annual financial statements of the Company are taken up detailed presentation covering inter alia economy and industry overview, key regulatory developments, strategy, and performance of the Company is made to the Board.

Apart from the above policies, the Board has in accordance with the requirements of Companies Act, 2013 and Listing Regulations approved and adopted Remuneration Policy, Material Events Determination and Disclosure Policy and Document Preservation Policy.

Board of Directors Composition and Category of Directors

MFL India Limited has a balanced Board with combination of Executive and Non-Executive Directors to ensure independent functioning and the current composition of the Board is in conformity with



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Regulation 17 (1) of the SEBI Listing Regulations. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations.

The Board meets regularly to discuss, review, and decide upon the matters such as policy formulation, setting up of goals, appraisal of performances with the goals and control functions, etc. Some of the powers of the Board have also been delegated to Committee(s), which monitors the day-to-day affairs relating to operational matters. The Board thus exercises close control over the overall functioning of the Company with a view to enhance the Shareholder value

Composition of the Board as at the close of March 31, 2022: -

Category of Director	No. of Director	% to total no of Directors
Executive Director	1	25
Non- Executive Independent Director (Including Women Director)	3	75
Total	4	100

As mandated by Regulations 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulation) as of March 31, 2022, none of the independent directors of the company served as an independent director in more than seven listed entities and as per Regulation 26 of SEBI Regulation none of Directors is a member of more than ten committees or acting as Chairperson of more than five committees of the companies in which he is a director. The necessary disclosures regarding Committee positions have been made by the Directors.

The agenda setting out the business to be transacted at the meeting along with the explanatory notes are sent to the directors seven days before the Board Meeting date.

The name and categories of the directors on the Board, and committee Chairmanship/Memberships held by them in other companies are given herein below. Other directorships do not include alternate directorships, directorships of private limited Companies, Section 8 Companies and of Companies incorporated outside India. Chairmanships /Memberships of Board Committees include only Audit and Shareholders/Investors Grievance Committees:

Name of Directors	Categories of Directors	Number of Directorships in other public companies	No. of Committees position held in other companies	
			Chairman	Member
Anil Thukral	Executive Director	Nil	Nil	Nil
Syed Zameer Ulla	Non-Executive Independent Director	Nil	Nil	Nil
Nawab Khan	Non-Executive Non-Independent Director	Nil	Nil	Nil
Pratiksha Anant Patil	Non-Executive Independent Women Director	Nil	Nil	Nil



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Number of Board Meetings

During the financial year under review, the Board met 5 (Five) Times on:

- i. 25.06.2021
- ii. 13.08.2021
- iii. 04.09.2021
- iv. 13.11.2021
- v. 25.06.2021

The attendance record of each Directors at the Board Meetings during the period ended on 31st March 2022 and of last Annual General Meeting is as under: -

Name of Directors/CFO	Total No. of Meetings held	No. of board meeting attended	Attendance at the last AGM
Anil Thukral	4	4	Yes
Syed Zameer Ulla	4	4	Yes
Pratiksha Anant Patil	4	4	Yes
Nawab Khan	4	4	Yes

None of the Directors of your Company are *inter-se* related to each other.

None of the Non-Executive Directors of the Company holds any shares and convertible instruments of the Company.

Board Procedure

The Board Meetings of the Company are governed by a structured agenda. The Company Secretary in consultation with Managing Director finalises the agenda of the Board Meetings. All major agenda items, backed up by relevant and comprehensive background information, are sent well in advance of the date of the Board Meeting(s) to enable the Board Members to take informed decision. Any Board Member may, in consultation with the Chairman of the Meeting and with the consent of all

Independent Directors present at the meeting, bring up any matter at the meeting for consideration by the Board. Senior Management personnel are invited from time to time to the Board Meetings to make requisite presentations on relevant issues or provide necessary insights into the operations / working of the Company and corporate strategies. The Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

Performance Evaluation

The Board has carried out evaluation of its own performance, the directors individually and evaluation of working of the committees of the Board during the financial year 2021-22. The structured evaluation process contained various aspects of the functioning of the Board and its committees, number of committees and their roles, frequency of meetings, level of participation, and independence of judgment, performance of duties and obligations and implementation of good corporate governance practices



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The Board expressed its satisfaction of the performance of all the directors, Board and its committees which reflected the overall engagement of the directors, the Board and its committees with the Company.

Board Committees

Your Board has constituted Committees for smooth and efficient operation of day-to-day business of the Company. These Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. Each Committee of the Board is guided by and operates under the terms of reference, which has been framed in compliance with applicable laws defining the scope, powers, and composition of the Committee. The minutes of the meetings of all the Committees are placed before the Board.

Audit Committees

The Board has constituted a well-qualified Audit Committee. The Company has framed the mandate and working procedures of the Audit committee as required under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulation defining therein the term of reference, membership, powers, meeting procedures etc. of Audit Committee.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. In addition to the foregoing, in compliance with requirements of Regulation 18 of the SEBI Listing Regulation, the Audit Committee reviews operations of subsidiary companies viz., its financial statement, significant related party transactions, statement of investments and minutes of meeting of the Board and Committees.

Term of reference

The Terms of reference and role of the Audit Committee are as per Regulation 18 and Schedule II Part C of the SEBI Listing Regulations and Section 177 of Companies Act, 2013. The Committee meets periodically and inter alia:

- Reviews Accounting and financial reporting process of the Company.
- Reviews Audited and Un-audited financial results.
- Reviews Internal Audit reports, risk management policies and reports on internal control system.
- Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls, reliability of financial statements/ other management information, adequacy of provisions for liabilities and whether the audit tests are appropriate and scientifically carried out in accordance with Company's current business and size of operations.;
- Reviews and approves of transactions proposed to be entered into by the Company with related parties including any subsequent modifications thereto.
- Reviews functioning of Whistle Blower & Vigil Mechanism Policy; and
- Recommends proposals for appointment and remuneration payable to the Statutory Auditor, Internal Auditor and Chief Financial Officer.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. Additionally, in compliance with requirements of Regulation 24 of the SEBI Listing Regulations, the Audit Committee reviews operations of Subsidiary Companies viz. its financial statements, significant related party transactions, statement of investments and minutes of meetings of its Board and Committees.

Composition and Meetings of the Audit Committee



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S. No	Name of Director	Position	Category	No. of Meetings During the Year 2021-22	
				Held	Attended
1	Pratiksha Anant Patil	Chairperson	Non-Executive Independent	4	4
2	Anil Thukral	Member	Executive Director	4	4
3	Nawab Khan	Member	Non-Executive Non-Independent	4	4

The Chief Financial Officer, Head Finance, the Partner/ Representative of the Statutory Auditors, and the Internal Auditors are some of the invitees to the Audit Committee. Internal Auditors have attended Audit Committee Meetings wherein the Internal Audit Reports were considered by the Committee.

Nomination & Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

Term of reference

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal, and shall carry out evaluation of every director's performance.
2. Formulate the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel, and other employees.
3. Ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
4. Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
5. Formulate policy about remuneration to Directors, Key Managerial Personnel and Senior Management involving a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Composition and Meetings of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company comprised of Mr. Nawab Khan, Ms. Pratiksha Anant Patil, and Mr. Syed Zameer Ulla as the members of the Committee all being Independent Directors.

During the year under review, the Nomination and Remuneration Committee met Five (5) times on June 25, 2021, August 13, 2021, September 04, 2021, November 13, 2021 and February 14, 2022, and the necessary quorum was present at the meetings.

The details of attendance of Nomination and Remuneration Committee meetings during the financial year ended March 31, 2022, are as under: -

Name of the Director	Category	No. of meeting attended
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Mr. Nawab Khan (Non-Executive Independent Director)	Chairman/Member	4
Ms. Pratiksha Anant Patil (Independent Director)	Chairman / Member	4
Mr. Syed Zameer Ulla (Non-Executive Independent director)	Chairman/Member	4

Performance Evaluation Criteria for Independent Directors

Performance of each of the Independent Directors are evaluated every year by the entire board with respect to various factors like personal traits which include business understanding, communicate skills, ability to exercise objective judgment in the best interests of the Company and on specific criteria which include commitment, guidance to Management, deployment of knowledge and expertise, management of relationship with various stakeholders, independence of behaviour and judgment, maintenance of confidentiality and contribute to corporate governance practice within the Company.

Remuneration Policy

The Company has two Executive Directors on the Board. The details of such remuneration are given below:

Details of remuneration of Executive Directors are as under:

Name of Director	Salary (Rs.)	Perquisites (Rs.)	Total (Rs.)
Nil	Nil	Nil	Nil

Details of sitting fees paid during the period:

Executive Directors and other Directors are not paid any sitting fees for attending the Board Meeting and its Committees

Shareholders/Investors Grievance and Share Transfer Committee

The Company has a Shareholders/Investors Grievance and Share Transfer Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non receipt of notices/annual reports etc.

During the period under review, the members of the Shareholders/Investors Grievance and Share Transfer Committee met 4 (Four) times on June 25, 2021, August 13, 2021, September 04, 2021, and November 13, 2021 and the necessary quorum was present at the meetings.

The Composition of shareholders/Investors Grievance and Share Transfer Committee and the details of meeting attended by its members are given below:



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Name of the Director	Category	No. of meeting held	No. of meeting attended
Mr. Syed Zameer Ulla (Non-Executive Independent director)	Chairperson/Member	4	4
Ms. Pratiksha Anant Patil (Independent Director)	Chairperson	4	4
Mr. Nawab Khan (Non-Executive Independent Director)	Member	4	4

There was no application for share transfer pending as of 31st March 2022.

Details of investor's complaints received and redressed during the year 2021-22:

Opening Compliant during the year	Received during the year	Resolved during the year	Closing Compliant during the year
Nil	Nil	Nil	Nil

As on March 31, 2022, no investor grievance has remained unattended/ pending for more than thirty days.

Code of Conduct

The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 17(5) of the SEBI Regulation. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director. Further, the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also posted on the website of the company.

General Body Meetings:

(a) The details of Annual General Meetings held in last three years are as under: -

AGM	Day	Date	Time	Venue
36 th	Thursday	31/10/2019	09:30 A.M	G-1, Ground Floor, Well King Towers, 94/4, Main Market, Patparganj, Mayur Vihar, Phase-I, Delhi – 110091
37 th	Wednesday	30.09.2020	10:00 A.M	G-1, Ground Floor, Well King Towers, 94/4, Main Market, Patparganj, Mayur Vihar, Phase-I, Delhi – 110091
38 th	Thursday	30.09.2021	09:00 A.M	G-1, Ground Floor, Well King Towers, 94/4, Main Market, Patparganj, Mayur Vihar, Phase-I, Delhi – 110091

Disclosures

i. Related party transactions:



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There are no materially significant related party transactions of the company which have potential conflict with the interest of the company at large.

ii. **Accounting Treatment:**

While in the preparation of financial statements, no treatment different from that prescribed in an Accounting Standards has been followed.

iii. **Details of non-compliance, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related capital markets, during the last three years: NIL**

Whistle Blower policy

The company has formally established a Whistle Blower policy as a mechanism for its employees to report to the Management about any violation of business principles or unethical behaviour to the employees are free to access the Management or Chairman of audit Committee to report such instances.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of

Clause 49:

The Company has complied with all the mandatory requirements as laid down under Clause 49 of the Listing Agreement in letter as well as spirit. The details of these compliances are set out in the relevant sections of this Report. The company has also set up the Remuneration Committee as prescribed under non mandatory requirements in Annexure I D to the clause 49 of the Listing Agreement with the Stock Exchange, details of which have been given earlier in this report.

Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company's business processes are on logy sis and have a strong monitoring and reporting process resulting in financial discipline and accountability

Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Compliance officer is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

Means of communication:

(i) **Publication of Results:**

The Quarterly Results/ Annual Results of the Company are published in the leading newspapers viz:-

The Financial Express (English)



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Naya India (Hindi)

(ii) News, Release, etc:

All vital Information pertaining to the Company and its Performance, financial or otherwise, its financial results, important developments in the Company sent to the stock exchanges from time to time and are regularly posted.

(iii) Website: www.mflindia.co.in

General Shareholders' Information:

a) Registered Office:

94/4, UG-F, UG-9,
Village - Patparganj,
Delhi –110091.
Email-mfldelhi81@gmail com

b) Registrar & Share Transfer Agents:

M/s. Link Intime India Private Limited,
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I,
Near PVR Naraina, New Delhi – 110 028

c) Annual General Meeting to be held:

Day,	Date,	Time & Venue:
Friday	30/09/2022	10:00 A.M Venue: G-1, Ground Floor, Well King Towers, 94/4, Main Market, Patparganj, Mayur Vihar, Phase-I, Delhi – 110091

d) Financial Year: 01/04/2021 to 31/03/2022 to 30th September 2022 (both days inclusive)

e) Dividend Payment Date: N.A.

f) Stock Exchanges in which the Company's Shares are listed:

The Stock Exchange, Bombay Stock Exchange Limited, Mumbai
Stock Code: 526622

g) Status of payment of Listing Fees:

The Company has paid the listing fees to the Stock Exchange, Mumbai.

h) Connectivity with the Depositories:

National Securities Depositories Limited (NSDL)
Central Depository Services (India) Limited (CDSL)
ISIN Numbers: INE 244CO1012

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i) Dematerialization of shares:

As of March 2022, 34,25,30,740 Equity shares of the company stand dematerialized & this constitutes 95.06 in % of the holding in the Company.

Corporate Office and Registered Office:

94/4, UG-F, UG-9
Village-Patparganj, Delhi – 110 091.
Email-mfldelhi81@gmail com

j) Share Transfer System

Share transfers are affected on requests in Demat form as well as in physical form periodically at frequent intervals.

k) Person who conducted the e-voting exercise:

The Board had appointed Mr. Amit Agrawal Practicing Company Secretary as Scrutinizer for conducting the said voting / Postal Ballot.



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CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
M/s. MFL India Limited
 94/4, UG-F, UG-9,
 Village- Patparganj,
 Delhi –110 091.

We have examined the Compliance of conditions of Corporate Governance by MFL India Limited (“ the Company”) for the period ended 31st March, 2022 as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Bombay stock exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the Company’s management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Manoj Purbey & Associates
(Company Secretaries)

SD/-
CS Avinash Kumar
(Partner)
CP No.18318
M.No.43422

UDIN NO: A043422D000879125

Date: 30/08/2022
Place: Delhi



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CFO' S CERTIFICATION

To the Board of Directors of MFL India Limited

I, **Khemraj**, Chief Financial Officer of MFL India Limited to the best of my knowledge and belief, certify that:

- a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- b) No transactions entered into by the company during the years which are fraudulent, illegal, or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit committee that:
 - i. there has not been any significant changes in internal control over financial reporting during the year under the reference.
 - ii. there has not been any significant changes in accounting policies except to the extent already disclosed in the financial statement(s); and
 - iii. there are no instances of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Delhi
Date: 05/09/2022

Sd/-
Khemraj
Chief Financial Officer



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Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

In terms of the requirement of Regulation 26(3) read with Schedule V Para D of the SEBI (Listing Obligations and Disclosure Requirements), 2015, code of conduct of the company has been displayed at the company's website: www.mflindia.info. All the members of the Board and the senior management personnel had affirmed compliance with the code for the year ending March 31, 2022.

Sd/
Anil Thukral
Managing Director
DIN: 01168540

Date: September 05, 2022

Place: Delhi



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Letter to Shareholders

Dear Shareholders,

MFL INDIA LIMITED is an Environment friendly Company and utilizes natural resources in a sustainable way. Recently, the Ministry of Corporate Affairs (MCA), Government of India through its Circular Nos. 17/2012 and 18/2012, dated April 21,2012 and April 29,2012 respectively, has allowed companies to send officials documents to their shareholders electronically as part of its green initiatives in corporate governance.

In order to conserve paper and minimize the impact on the environment, the company proposes to send documents such as notice of the General Meetings, Audited Financial Statements, Directors and Auditors Reports, Postal Ballots etc, henceforth to all its shareholders in electronic form through emails

We request you to inform your e-mail address to your Depository Participants and also register your e-mail ID at Company E-mail ID (mfldelhi81@ gmail.com) and our Registrar and Share Transfer Agents viz, "M/S Link In Time India Private Limited" at the website www.linkintime.com (E-mail ID: delhi@linkintime.co.in) in case you have already registered the same. You are not required to re-register unless there is change in your e-mail address.

You are also required to intimate to the Depository Participants (DP), if any in your registered address e-mail ID and /or changes in your bank account details.

We expect to receive your co-operations towards this welcome initiative taken by MCA

Thanking You
Yours truly

FOR MFL INDIALIMITED

Sd/-
Anil Thukral
Managing Director

Date: 5th September 2022
Place: New Delhi



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INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
MFL India Limited

Report on the Ind AS Financial Statements

We, M/s V. K. Sehgal & Associates, Chartered Accountants, have audited the accompanying Ind AS financial statements of MFL India Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have nothing to report in this regard.



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Management's Responsibility for Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) (Amendment) Rules, 2017. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Information other than the Financial Statements and Auditors' Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the



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financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the

financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(1) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(2) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(3) The Balance Sheet, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(4) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.



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(5) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.

(6) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(7) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(a) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note to Accounts to the standalone Ind AS financial statements;

(b) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

(e) The company has not declared any interim during the year.



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(8) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

For V. K. Sehgal & Associates
Chartered Accountants
Firm's Registration No.011519N

Sd/-
CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 22096530AJNMHU5057

Place: New Delhi
Date- 21/05/2022



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Report as required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2022, we report the following:

(i) (a) (A) The Company has proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year. The same have been properly dealt with in the books of account.

(c) The title deeds of immovable properties are held in the name of the Company.

(d) The company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i) (d) of paragraph 3 of the order are not applicable to the company.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i) (e) of paragraph 3 of the order are not applicable to the company.

(ii) (a) The Company is in the business of providing transport services and does not have any physical inventories. Accordingly, reporting under clause 3 (ii) of the Order is not applicable to the Company.

(b) During the year, the company has not been sanctioned any working capital limits, from banks or financial institutions.

(iii) During the year, the company not has made any investments in mutual funds and has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(iv) According to the information and explanations given to us and on the basis of our examination of records the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.



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(vi) As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.

(vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2022 for a period of more than 6 months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub- clause (a) which have not been deposited on account of any dispute except for the amounts mentioned as mentioned hereunder:

According to the records of the Company, the dues outstanding of income-tax, Service tax, and others which are under dispute are as follows:

S. NO	Name of the Statute	Nature of Dues	Period	Amount in Rs.	Forum where dispute is pending
1	Income tax Act,1961	Income tax & Interest	AY 2018-2019	14,36,39,675.00	Commissioner of Income Tax (Appeals),
2	Income tax Act,1961	Income tax & Interest	AY 2018-2019	50,500.00	Commissioner of Income Tax (Appeals),
3	Income tax Act,1961	Income tax & Interest	AY 2021-2022	48,66,250.00	Rectification pending with Assessing Officer

(viii) In our opinion and according to the information and explanations given to us, there are no transactions which are not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.

(b) In our opinion and according to the information and explanations given to us, the company has not been a declared wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, no term loans have been applied during the year.



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(d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.

(e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the company has not made preferential allotment or private placement of shares during the year.

(xi) (a) We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year.

(b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As auditor, we did not receive any whistle-blower complaint during the year.

(xii) The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.

(xiii) As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company.

(xiv) The company has appointed M/s APJ & Co., Chartered Accountants as an Internal Auditor under the provisions of Section 138 of Companies Act, 2013 vide board meeting dated 08th February, 2021.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.



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(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) As per the information and explanations received, the group does not have any CIC as part of the group.

(xvii) The company has incurred cash loss in the current year but has not incurred cash loss in immediately preceding financial year.

(xviii) There has been no resignation of the previous statutory auditors during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

(xxi) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

Place: New Delhi
Date- 21/05/2022

For V. K. Sehgal & Associates

Chartered Accountants
Firm's Registration No.011519N

Sd/-
CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 22096530AJNMHU5057



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 under the heading "Report on other legal and regulatory requirements" of our report to the Members of MFL India Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MFL India Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance note") and the Standards on Auditing as specified under section 143(10) the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.



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Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Place: New Delhi

Date- 21/05/2022

For V. K. Sehgal & Associates

Chartered Accountants
Firm's Registration No.011519N

Sd/-
CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 22096530AJNMHU5057



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Balance Sheet

MFL INDIA LIMITED						
BALANCE SHEET AS AT MARCH 31, 2022						
Prepared in compliance with the Indian Accounting Standards (Ind-AS)						
(Figures in Rs.)						
S. No.	Particulars	Note No.	Figures as at 31st March, 2022		Figures as at 31st March, 2021	
			(Audited)		(Audited)	
I.	ASSETS					
1	Non-current assets					
	(a) Property, Plant and Equipment	1	7361		18625954	
	(b) Capital work-in-progress				-	
	(c) Investment Property				-	
	(d) Goodwill		-		-	
	(e) Other Intangible assets				-	
	(f) Intangible assets Under Development		-		-	
	(g) Biological Assets other than bearer Plants		-		-	
	(h) Financial Assets					
	(i) Investments					
	(ii) Trade receivables					
	(iii) Loans					
	(iv) Security Deposits	2	760000		1000000	
	(i) Deferred tax assets (net)				-	
	(j) Other Non current Assets		-		-	
				767361		19625954
2	Current assets					
	(a) Inventories	3	-		5782814	
	(b) Financial Assets					
	(i) Investments					
	(ii) Trade receivables	4			4,28,22,113	
	(iii) Cash and cash equivalents	5	252605		2678697	
	(iv) Bank balances other than (iii) above		-			
	(v) Loans & Advances	6			1721037	
	(vi) Others					
	(c) Current Tax Assets (Net)					
	(d) Other current assets	7	4515834		4964641	
				4768438		57969302



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

		Total Assets		5535799		77595256	
II.		EQUITY AND LIABILITIES					
	3	Equity					
		(a) Equity Share capital	8	360,292,000		360,292,000	
		(b) Other Equity	9	(355281626)	(5010374)	(373109317)	(12817317)
	4	Non-current liabilities					
		(a) Financial Liabilities					
		(i) Borrowings	10			75000000	
		(ii) Trade payables				-	
		(iii) Security Deposits	11			-	
		(b) Provisions				-	
		(c) Deferred Tax Liabilities				-	
		(d) Other Noncurrent Liabilities		-		-	75000000
	5	Current liabilities					
		(a) Financial Liabilities					
		(i) Borrowings				8000000	
		(ii) Trade payables	12	77160		1925760	
		(iii) Other payables	13	415000		405000	
		(b) Other current liabilities	14	33264		5081812	
		(c) Provisions	15	-		-	
		(d) Current Tax Liabilities (Net)				-	
		Total Equity and Liabilities			525424		15412572
					5535799		77595256

Anil Thukral
Managing Director
DIN:01168540
Sd/-

Syed Zameer Ulla
Director
DIN: 07486691
Sd/-

Khemraj
Chief Finance Officer
PAN: BJVPK1947F
Sd/-

Ritu Sharma
Company secretary
PAN: FYQPS9794N
Sd/-

For V. K. Sehgal & Associates
Chartered Accountants
Firm's Registration No.011519N

Sd/-
CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 22096530AJNMHU5057



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

MFL INDIA LIMITED				
STATEMENT OF PROFIT AND LOSS				
FOR THE PERIOD ENDED MARCH 31, 2021				
Prepared in compliance with the Indian Accounting Standards (Ind-AS)				
(Figures in Rs.)				
S. No.	Particulars	Note No.	Year Ended	
			March 31, 2022	March 31, 2021
			(Audited)	(Audited)
I.	INCOMES			
	Revenue From Operations	16	25123416	164900939
	Other Income	17	20395450	477415
	i)		45518866	165378354
II.	EXPENSES			
	Operating expenses	22	4676138	65798324
	Purchase of stock in trade	23	13963980	57279011
	Employee benefits expense	24	1305000	1012000
	Changes in Inventory of Finished Goods	25	5782814	8840519
	Finance costs	26	527	1671
	Depreciation and amortization expense	27	-	5724
	Other expenses	28	1962717	2002335
	ii)		27691175	134939584
III.	Profit/(loss) before exceptional items and tax (i-ii)		17827691	30438770
IV.	Exceptional Items			
V.	Profit/(loss) before tax (III-IV)		17827691	30438770
VI.	Tax expense:			
	iii)		-	-
	iv)		-	-
	v)			-560529
VII.	Profit/(loss) for the period (V-VI)		17827691	30999299
VIII.	Other Comprehensive Income			
	A.(i) Items that will not be reclassified to P&L		-	-
	(ii) Income Tax Relating to items that will not be reclassified to Profit or Loss A/c		-	-
	B.(i) Items that will be reclassified to P&L		-	-
	(ii) Income Tax Relating to items that will be reclassified to Profit or Loss A/c		-	-
			-	-
IX.	Total Comprehensive Income for the period (VII+VIII)		17827691	30999299
X.	Earnings per equity share (for continuing operation):			
	(1) Basic		0.05	0.09
	(2) Diluted		0.05	0.09



MFL India Limited

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MFL INDIA LIMITED			
NOTES TO ACCOUNTS TO THE BALANCE SHEET AS AT 31ST MARCH,2022			
			(Figures in Rs.)
			March 31,2022
			March 31,2021
3	Security Deposits		
	Security deposits from parties	7,60,000	10,00,000.00
	Total	7,60,000	10,00,000.00
4	Inventories		
	Stock in hand	-	57,82,814.00
	Total	-	-
5	Trade receivables		
	Sundry Debtors	-	4,28,22,113
	Less: -Provision for Doubtful debts	-	-
	Total	-	4,28,22,113
6	Cash and cash equivalents		
	Cash in hand	41250	141250
	Balance in bank accounts	211355	2537447
	Total	252605	2678697
7	Bank balances other than included in cash and cash equivalent		
	Fixed deposits	-	-
	Total	-	-
8	Loans and Advances		
	SBI Advances for Loan Closure	-	-
	Other Loans	-	17,21,037
	Total		17,21,037
9	Other current assets		
	Prepaid expenses	-	-
	TDS receivable	44,77,770	41,59,743
	Others	-	-



MFL India Limited

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	GST Receivable	38,064	804898
	Total	45,15,834	49,64,641
12	Borrowings		
	Term Loans	-	-
	Unsecured loan from Director	-	7,50,00,000
	Total	-	7,50,00,000
13	Security Deposits		
	Security Deposit		80,00,000
	Total		80,00,000
14	Deferred tax liability		
	Deffered tax liability	-	-
	Total	-	-
15	Borrowings		
	Bank overdraft	-	-
	Total	-	-
16	Trade payables		
	Sundry creditors	77,160	19,25,760
	Total	77,160	19,25,760
17	Other payables		
	Expenses Payable		
	Audit Fee Payable	3,86,000	4,05,000
	Salary payable	-	-
	Total	3,86,000	4,05,000
17	Other current liabilities		
	TDS Payable	33,264	2,99,721
	GST payable		47,82,091
	Staff advance	-	-
	Total	33,264	50,81,812
18	Provisions		



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	Provision for interest on Term loan and working capital loan		-	-
	Total		-	-
19	Current tax liabilities (Net)			
	Provision for taxation		-	-
	Total		-	-

NOTES TO ACCOUNTS TO THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2022

		(Figures in Rs.)	
		March 31,2022	March 31,2021
20	Revenue From Operations		
	Sale of services	2,51,23,416	13,67,47,565
	Commission Income		2,81,53,373
	Total	2,51,23,416	16,49,00,939
21	Other Income		
	Interest on Fixed Deposits	43	2,795
	Profit on sale of Land	18,81,407	-
	Scrap Sale	-	-
	Provision for Doubtful debts reversed	1,85,14,000	-
	TDS Recoverable on interest	-	-
	Bad Debts Recovered	-	-
	Insurance Claim	-	-
	Interest on Income tax Return	-	4,74,620
	W/off (OTS with Bank)	-	-
	Total	2,03,95,450	4,77,415
22	Operating expenses		
	Freight charges		6,40,05,261
	Diesel And Fuel Expenses	46,76,138	17,86,578
	Fleet expenses	-	6,485
	Custom Charges	-	-
	Other operating expenses	-	-
	Earnest Money Forfeited	-	-



MFL India Limited

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	Total	46,76,138	6,57,98,324
23	Purchase of stock in trade		
	Purchases	1,39,63,980	5,72,79,011
	Total	1,39,63,980	5,72,79,011
24	Employee benefits expense		
	Salary to staff	13,05,000	10,12,000
	Director Remuneration	-	-
	Staff welfare expenses	-	-
	PF & ESI	-	-
	Total	13,05,000	10,12,000
25	Changes in Inventory of Finished Goods		
	Opening Stock	57,82,814	1,46,23,333
	Less:- Closing stock	-	57,82,814
	Total	57,82,814	88,40,519
26	Finance costs		
	Interest to bank on term Loan	-	-
	Interest to bank on working capital	-	-
	Bank Charges	527	1,671
	Penal Interest charged by Bank	-	-
	Total	527	1,671
27	Depreciation and amortization expense		
	Depreciation on Fixed Assets	-	5,724
	Total	-	5,724
28	Other expenses		
	Vehicle Running & Maintenance	-	-
	Audit fees	2,50,000	2,50,000



MFL India Limited

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Telephone & Telex	-	
Business Promotion	-	
Advertisement Expense	39,248	-
Conveyance Expenses	-	-
Donation	-	-
Electricity & Water Expenses	3,620	19,454
General Expense	67,459	3,600
Interest on TDS	1,318	9,706
Loading & Unloading Expenses	3,14,853	-
Loss on Sale of Fixed Assets	-	-
Rebate & Discount	-	-
Office Repair & Maintenance	-	22,188
Postage & Telegraph		
Printing & stationary	10000	4,500
Professional & Legal Expenses	9,73,588	7,76,755
Rent Office	2,40,000	2,40,000
Website expenses	-	
ISTP Charges	5,724	-
Travelling		-
Brokerage & Commission		
Custom Charges	-	
Filing Fees	6,600	-
Rates & Taxes	50,307	-
Bad Debts	-	6,76,133
Total	19,62,717	20,02,335

Anil Thukral
Managing Director
DIN:01168540
Sd/-

Syed Zameer Ulla
Director
DIN: 07486691
Sd/-

Khemraj
Chief Finance Officer
PAN: BJVPK1947F
Sd/-

Ritu Sharma
Company secretary
PAN: FYQPS9794N
Sd/-

For V. K. Sehgal & Associates
Chartered Accountants
Firm's Registration No.011519N

Sd/-
CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 22096530AJNMHU5057



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Notes to Financial Statements

For the year ended 31st March 2022

Note-1: Company overview

MFL India Ltd. is a company rendering logistics and supply chain services all over the country. The Indian logistics & supply chain sector is increasingly becoming attractive to foreign and domestic operators as well as strategic and financial investors. The company has the mission to extend its operations to every nook and corner of the country in the years to come as the logistics & supply chain sector is also growing with the growing India.

The Company is a public limited company incorporated on 28/11/1981 in India and has its registered at 94/4, UG-F, UG-9 VILLAGE PATPARGANJ, DELHI East Delhi DL 110091 IN. The Company has its listing on BSE Limited.

Note-2: Statement of compliance:

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's accounting policies are included in Note 3.

Note-3: SIGNIFICANT POLICIES

a) Basis of preparation of financial statements

- i. In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as of 31st March 2022, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2022, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").
- ii. The financial statements have been prepared under historical cost convention basis except for certain assets and liabilities measured at fair value at the end of each period.
- iii. The financial statements are presented in Indian Rupees ('INR') except otherwise indicated.

b) Use of estimates and judgments

- i) The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses



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during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

- ii) The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) Property, plant, and equipment

- i) The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties, and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to Statement of Profit and Loss in the period in which the costs are incurred.
- ii) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

d) Other Intangible assets

- i) Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.
- ii) Certain computer software costs are capitalized and recognized as intangible assets based on materiality, accounting prudence and significant benefits expected to flow there from for a period longer than one year.

e) Depreciation / Amortization

- a. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.
- b. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.
- c. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.
- d. Depreciation on tangible assets is provided as per the provisions of Part B of Schedule II of the Companies Act, 2013 based on useful life and residual value notified for accounting purposes by Electricity Regulatory Authorities.



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- e. Lease improvement costs are amortized over the period of the lease. Leasehold land acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized.

Estimated useful life of the assets are as follows:

Class of Property, plant, and equipment	Useful life
Plant and equipment	08 years
Furniture and fixtures	10 years
Vehicles	08 years
Office equipment	5 years

- f. Useful life is either the period of time which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of asset. The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Inventories:

Cost of inventories includes cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories of stores, spare parts, coal, fuel and loose tools are stated at the lower of weighted average cost and net realizable value. Net realizable value represents the estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.



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Revenue recognition:

i. Sale of Services

Revenue is recognized to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

Revenue from sale of logistics and other related services is recognized when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract.

ii. interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

i) Employee benefits

The Company has following post-employment plans:

a. Defined contribution plans - provident fund

- I. Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund set up as trust and certain state plans like Employees' State Insurance. The Company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that the payment covers.
- II. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Taxation

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a) Current tax

Current tax is the amount of tax payable based on the taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.



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b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Earnings per share

a. Basic earnings per share is computed by dividing the profit/ (loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equities shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

b. Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

Provisions, contingencies and commitments:

- a. The Company has ongoing disputes with income tax authorities relating to deduction of expenses of certain items. The Company is in receipt of notice of demand dated 21/04/2021 under section 156 of the income tax Act, 1961 for AY 2018-2019 for a sum of Rs 13,95,97,580. The Company has already filed an appeal to the Commissioner of Income Tax (Appeals), against the said order contesting the adverse decisions by the assessing officer. Taking into consideration the facts and circumstances of the case and the past experience of the management, it is of the opinion that the decision of the appellate authorities will be in the favour of the company and hence they have not recognized the said liabilities in the books of account of the company.
Future cash outflows in respect of the above would be determinable on finalization of judgments /decisions pending with various forum /authorities.
- b. Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation
- c. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).
- d. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably



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- e. A disclosure for contingent liabilities is made where there is-
- i. a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
 - ii. a present obligation that arises from past events but is not recognized because:
 - iii. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - iv. The amount of the obligation cannot be measured with sufficient reliability.
- f. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.
- g. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.
- h. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.
- i. Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

Financial instruments

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and finance fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit and Loss.

a. Financial assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

b. Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:



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-
- (a) the entity's business model for managing the financial assets and
 - (b) The contractual cash flow characteristics of the financial asset.

c. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as fair value through profit or loss on initial recognition):

- a) the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognized in Statement of Profit and Loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to Statement of Profit and Loss.

All other financial assets are subsequently measured at fair value.

d. Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition

Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in Statement of Profit and Loss and is included in the "Other income" line item.

e. Financial liabilities

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a



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loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

f. Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

g. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

h. Provision for liabilities and charges, Contingent liabilities and contingent assets

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

i. Cash Flow Statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



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Note-24: ADDITIONAL NOTES TO ACCOUNTS

1. In the opinion of management, Current Assets, Loans and advances have a value on realization in the ordinary course of business at least equal to that stated in the Balance Sheet.
2. Capital and other commitments: The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2022 is NIL (Previous Year:-NIL).
3. Payment to Directors

Particulars	Current year	Previous Year
Remunerations	6,28,000.00	5,32,000.00

4. Payment to Auditor

Particulars	Current year	Previous Year
For Audit fee	2,00,000	2,00,000
For Tax Audit fee	50,000	50,000
For other Taxation matter	NIL	NIL
Service Tax/GST	NIL	NIL
Total	2,50,000	2,50,000

5. Expenditure in foreign currency

Particulars	Current year	Previous Year
For Travelling/others	NIL	NIL

6. Debit and credit balances of suppliers, customers and other are subject to confirmation and reconciliation.
7. The earning per share, basic as well as diluted is Rs. (0.05) per share.
8. Employee Benefits Disclosures required under Accounting Standard 15.
The provision of the Gratuity Act is not applicable to the company. The company does not have any employee more than five-year-old.
9. Related Party disclosure:
 - (I) Key Managerial Personnel.

Name of KMP	Designation
Anil Thukral	Managing Director



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Syed Zameer Ulla	Director
Pratiksha Anant Patil	Director
Nawab Khan	Director
Khemraj	CFO

(II) The list of the concern where related parties are interested:

- (a) Shri Krishan Aggregates Private Limited
- (b) Artha Logistics Private limited

Nature of Transactions with Related parties:-

	Shri Krishan Aggregates Private Limited	FY 2021-2022	FY 2020-2021
1.	Purchase of goods	NIL	51,09,353
2.	Trade Payable	14,178.82	14,178.82

	Artha Logistics Private limited	FY 2021-2022	FY 2020-2021
1.	Sale of goods	2,63,20,061.40	8,66,54,721.77
2.	Transportation expenses	NIL	6,97,47,264.87
3.	Trade Receivable	NIL	2,04,30,405.77
4.	Trade Payable	NIL	63,069.23

10. Ratios

- a. Current Ratio : 9.08
- b. Debt Equity Ratio: Not Applicable
- c. Debt Service Coverage ratio : Not Applicable
- d. Return On Equity : 355.82%
- e. Inventory Turnover Ratio :8.45 Times
- f. Trade receivable Ratio:1.17 Times
- g. Trade payable Ratio :16.24 Times
- h. Net Profit Ratio : 70.96%
- i. Return On capital Employed: 355.82 %



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j. Return On Investment: Not applicable

11. Previous Year's figures have been regrouped, reclassified, and rearranged in pursuant of Schedule III wherever necessary to correspond with the figures of the current year.

Anil Thukral
Managing Director
DIN:01168540
Sd/-

Syed Zameer Ulla
Director
DIN: 07486691
Sd/-

Khemraj
Chief Finance Officer
PAN: BJVPK1947F
Sd/-

Ritu Sharma
Company secretary
PAN: FYQPS9794N
Sd/-

For V. K. Sehgal & Associates
Chartered Accountants
Firm's Registration No.011519N

Sd/-
CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 22096530AJNMHU5057

Date: 21-05-2022

Place: Delhi



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MFL INDIA LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022		
PARTICULARS	31.03.2022	31.03.2021 (Amount in Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Exceptional Items	1,78,27,691	3,04,38,770
Adjustment for :		
Depreciation & Amortation	-	5,724
Interest Expenses	527	1,671
Profit On sale of Land	(18,81,407)	-
Income tax paid for earlier years	-	5,60,529
Other Income	-	(4,77,415)
Operating Profit before working capital changes	1,59,46,812	3,05,29,279
Adjustment for change in Current Assets and Current Liabilities		
Current Assets:		
Decrease/(Increase) in Inventory	57,82,814	88,40,519
Decrease/(Increase) in Trade receivables	4,28,22,113	(3,80,21,503)
Decrease/(Increase) in Other current assets	21,69,845	37,52,793
Current Liabilities:		
(Decrease)/Increase in Trade Payables	(18,48,600)	(35,27,381)
(Decrease)/Increase in Other Current Liabilities	(50,38,548)	51,88,371
Cash generated/(used) in Operating activities	5,98,34,435	67,62,078
Direct Taxes Paid	-	-
Net Cash generated/(used) in Operating Activities	5,98,34,435	67,62,078
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	2,05,00,000	-
(Purchase) of Fixed Assets	-	-
Security Deposits	2,40,000	83,95,000
Other Income	-	4,77,415
Net Cash Generated in Investing Activities	2,07,40,000	88,72,415
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/ (repayment of) Long term borrowings	(8,30,00,000)	(1,41,48,630)
Proceeds from/ (repayment of) short term borrowings	-	-
Interest Paid	(527)	(1,671)
Net Cash (Generated)/used in Financing Activities	(8,30,00,527)	(1,41,50,301)
Net Increase /(Decrease) in cash & cash equivalents	(24,26,092)	14,84,192
Cash equivalents as on the beginning of the year	26,78,697	11,94,506
Cash equivalents as on the end of the year	2,52,605	26,78,697
M/s V K SEHGA FOR AND ON BEHALF OF THE BOARD OF DIRECTORS		
Chartered Accountants		
Firm Regn. No. 011519N		
Sd/-	Sd/-	Sd/-
Anil Thukral	Syed Zameer Ulla	Anuj Maheshwari
Managing Director	Director	Partner
DIN 01168540	DIN 07486691	M.No. 096530
81		
Dated: 24/05/2022		
Place: New Delhi		
UDIN No-22096530AJNMHU5057		



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ATTENDANCE SLIP

39th Annual General Meeting

I/We hereby record my presence at the Annual General Meeting of the Company on Thursday, the 30th September 2022 at 09:00 A.M, at the registered office of the Company at 94/4, UG-F, UG-9 Village Patparganj, Delhi 110091, India.

 Name of Shareholder/Proxy (IN BLOCK LETTERS)

 Signature of Shareholder/Proxy

Folio No.-----

Client ID#-----

D.P I.D-----

No. of Shares:-----

(Applicable for Shareholders holding shares in dematerialized form)



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PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s) :

Registered Address :

E-mail Id :

Folio No/ Client Id/ DP ID :

I/We, being the member (s) of shares of the MFL India Limited, hereby appoint:

1. _____ (Name) of _____ (Address) having e-mail id _____ or failing him

2. _____ (Name) of _____ (Address) having e-mail id _____ or failing him

3. _____ (Name) of _____ (Address) having e-mail id _____

and whose signature(s) are appended below, as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual Ordinary General Meeting of the Company, to be Thursday, the 30th September, 2022 at 09:00 A.M. of the Company at 94/4, UG-F, UG-9 Village Patparganj, Delhi 110091, India and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolutions	For	Against
1.	Adoption of Audited Financial Statements of the Company for the Financial Year ended 31 st March 2022 including Balance Sheet, Statement of Profit & Loss, Cash flow statement and the Reports of Auditors and Directors thereon.		
2.	To appoint a director in place of Mr. Anil Thukral (DIN: 01168540) who retires by rotation and being eligible, offers himself for re-appointment		
3.	To Approval for raising loans with the options to convert into Equity		
4.	To Approval for related party transactions		
5.	To Purchase of Land		

Signed this..... day of..... 2022 _____

Signature of shareholder

Signature of 1st proxy holder_____
Signature of 2nd proxy holder_____
Signature of 3rd proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



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BALLOT FORM

Registered Folio No	DP ID No	Client ID No	No. of Shares held

Name and Address of the Sole/
First named Shareholder
Joint Holder's Name (if any)

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed through Postal Ballot for the businesses stated in the Notice of the Company dated 30th September 2022 by sending my/our assent or dissent to the said resolutions by placing a tick mark (✓) in the appropriate box below:

Item No	Description	No. of Shares Held	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Adoption of Audited Financial Statements of the Company for the Financial Year ended 31 st March 2022 including Balance Sheet, Statement of Profit & Loss, Cash flow statement and the Reports of Auditors and Directors thereon			
2.	To appoint a director in place of Mr. Anil Thukral (DIN: 01168540) who retires by rotation and, being eligible, offers himself for re-appointment			
3.	To Approval for raising loans with the options to convert into Equity			
4.	To Approval for related party transactions			
5.	To purchase of Land			

Place:
Date:

Signature of Shareholder

40th
ANNUAL REPORT

2022-2023

MFL INDIA LIMITED

CIN: L63040DL1981PLC012730



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

CORPORATE INFORMATION

CIN: L63040DL1981PLC012730

BOARD OF DIRECTORS

Mr. Anil Thukral	DIN: 01168540	(Managing Director)
Mr. Syed Zameer Ulla	DIN: 07486691	(Professional Director)
Ms. Pratiksha Anant Patil	DIN: 07887358	(Independent Director)
Mr. Nawab Khan	DIN: 08065674	(Independent Director)

Special Invitee

Mr. Vikas Paliwal	(Independent Director)
Ms. Sapna Jain	(Independent Director)

Chief Financial Officer

Mr. Khemraj

Company Secretary

Statutory Auditors

M/s V.K. Sehgal & Associates
Chartered Accountants
New Delhi

Internal Auditors

M/s APJ & Co.
Chartered Accountants
Gurgaon

Secretarial Auditor

M/s Manoj Purvey & Associates
Company Secretaries
New Delhi

**MFL India Limited**

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Bankers

ICICI Bank Limited

Share Transfer Agents

Link Intime India Pvt. Ltd.
A-44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I
New Delhi-1100028
Tel-91-11-4140592-93-94
Fax-91-11-41410591

For Dematerialisation of Shares

ISIN NO. INE244CO1012

Registered Office

94/4, Village- Patparganj, Delhi-110091
Email-mfldelhi81@gmail.com
Website- www.mflindia.info



MFL India Limited

(CIN: L63040DL1981PLC012730)

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NOTICE OF 40th ANNUAL GENERAL MEETING

NOTICE is hereby given that **40th** Annual General Meeting of the members of **MFL India Limited** will be held on Friday, the 25th day of August 2023 at 03:00 P.M. through VC/ OAVM to transact the following businesses.

Ordinary Business:

Item No.1

To consider and adopt the Audited Financial Statement of the Company for the Financial Year ended March 31, 2023, along with the reports of the Board of Directors and Auditors thereon; to consider and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolution:

“RESOLVED THAT the Audited Financial Statement of the Company for the Financial Year ended March 31, 2023, along with the reports of the Board of Directors and Auditors thereon and cash flow statement laid before this meeting, be and are hereby considered and adopted.”

Item No. 2

To appoint Mr. Syed Zameer Ulla (DIN: 07486691) who retires by rotation in terms of Section 152 (6) of Companies Act, 2013 and being eligible, offers himself for re-appointment and to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT Mr. Syed Zameer Ulla (DIN: 07486691) who retires by rotation in terms of Section 152 (6) of Companies Act, 2013 and being eligible, offered himself for re-appointment, be and is hereby reappointed as a Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation.”

Item No. 3

To Re-appoint M/s. V.K. Sehgal & Associates, Chartered Account as Statutory Auditor of the Company

“RESOLVED THAT pursuant to provision of section 139 of the Companies Act 2013 (as amended or reenacted from time to time) and other applicable provision of the companies Act 2013 and considering the recommendations made by the Audit Committee, the consent of the Board be and is hereby recommends M/s V.K. Sehgal & Associates, Chartered Accountants for re-appointment as the statutory auditor of the company for the financial year 2023-2024, from the conclusion of the forthcoming annual general meeting till the conclusion of annual general meeting to be held in 2028, at a remuneration to be decided in consultation with it.



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RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matter, filing and things which may deem necessary in this behalf.

Special Business:

Item No: 4

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

Appointment of Ms. Sapna Jain as a Director and as an Independent Director

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17, Regulation 25 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time and base on the recommendation of Audit and Nomination and remuneration Committee, Ms. Sapna Jain, who had submitted a declaration that she met the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years, i.e., from August 25, 2023 to August 24, 2028 (both days inclusive), be and is hereby approved.”

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

Item No : 5

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:

Appointment of Mr. Vikas Paliwak (DIN: 06654299) as a Director and as an Independent Director

“RESOLVED THAT Mr. Vikas Paliwak (DIN: 06654299), who was appointed as an Additional Director of the Company with effective from May 27, 2023 by the Board of Directors, based on the recommendation of the Audit and Nomination and Remuneration Committee and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (‘the Act’) (including any statutory modification(s) or re-enactment(s) thereof for the time being in



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force) and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17, Regulation 25 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, the appointment of Mr. Vikas Paliwak, who had submitted a declaration that she met the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years, i.e., from May 27, 2023 to May 26, 2028 (both days inclusive), be and is hereby approved."

Item No : 6

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

Material Related Party Transaction(s) of the Company with Shri Krishan Aggregates Private Limited.

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company with Shri Krishan Aggregates Private Limited on such terms and conditions as may be mutually agreed between MFL India Limited and Shri Krishan Aggregates Private Limited for an aggregate value not exceeding INR 10 crore during the financial year 2023-24 as well as the material transactions for storage of crusher and building material purchases between the Company and Shri Krishan Aggregates Private Limited to INR 10 crore during the financial year 2023-24 provided that such transaction(s) / contract(s) /



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arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

Item No : 7

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

Material Related Party Transaction(s) of the Company with (b) Artha Logistics Private Limited.

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], other applicable laws/statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company with Artha Logistics Private Limited on such terms and conditions as may be mutually agreed between MFL India Limited and Artha Logistics Private Limited for an aggregate value not exceeding INR 50 crore during the financial year 2023-24 as well as the material transactions for vehicle hiring between the Company and Artha Logistics Private Limited to INR 50 crore during the financial year 2023-24 provided that such



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transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business."

RESOLVED FURTHER THAT the company has entered into the transaction with Artha Logistics Private Limited for INR 2,63,20,061.40 during the financial year 2022-23 and the same is hereby approved and ratified.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, Company Secretary or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

Item No-8

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

Remuneration to Executive Directors i.e. Mr. Anil Thukral

"RESOLVED THAT in suppression of all earlier resolution passed to the remuneration of the said director and pursuant to the provisions of Section 149, 197 and 198 of the Companies Act 2013 ("the Act") read with Schedule V to the Act, as modified vide Circular dated March 18, 2021 by the Ministry of Corporate Affairs, Government of India and Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Articles of Association of the Company and based on the recommendation of the Nomination & Remuneration Committee ("NRC"), consent of the Company be and is hereby accorded for payment of remuneration to Mr. Anil Thukral, in case of no / inadequate profits in any financial year calculated under Section 198 of the Act, provided that the aggregate of such remuneration (as mentioned in the Explanatory Statement to this Notice) shall not exceed 5% of the net profit or Rs. 2,00,000/- per month calculated in terms of the audited financial statements of the Company prepared in accordance with the applicable Indian Accounting Standards ("Ind AS"), for each of the above said three financial years, duly audited by the Statutory Auditors of the Company and approved by the Board of Directors and that the said remuneration be paid and distributed amongst



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the Executive Director in such manner as the Board of Directors of the Company may determine from time to time.”

**By order of Board of Directors
MFL India Limited**

Date: 03.08.2023

Place: Delhi

Sd/-
Managing Director
Anil Thukral
DIN: 01168540

Notes:

1. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business to be transacted at the Meeting is annexed.
2. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and, on a poll, to vote instead of himself and the Proxy need not be a member of the company.
3. Proxies, in order to be effective, must be received in the enclosed Proxy Form at the Registered Office of the company not less than forty-eight hours before the time fixed for the Meeting.
4. A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A Member holding more than ten percent of total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. A Corporate Member intending to send its authorised representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf at the Meeting.
6. Members/Proxies/Authorised Representatives are requested to bring the attendance slips duly filled in for attending the Meeting. Members who hold shares in dematerialised form are requested to write their client ID and DP ID numbers and those who hold shares in physical form is requested to write their Folio Number in the attendance slip for attending the Meeting.
7. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company. All documents referred to in the Notice and accompanying explanatory statement are open



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for inspection at the Registered Office of the company on all working days of the company between 11:00 a.m. and 1:00 p.m. up to the date of the Annual General Meeting and at the venue of the Meeting for the duration of the Meeting.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the company.

9. Electronic copy of the Annual Report is being sent to all the Members whose email IDs are registered with the company/Depository Participant(s) for communication purposes unless any Member has requested for a hard copy of the same. For Members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode. In case you wish to get a physical copy of the Annual Report, you may send your request to mfdelhi81@gmail.com mentioning your folio/DP ID and Client ID. Annual Reports is also available in the Financials section on the website of the company at www.mflindia.info.

10. Members holding shares in physical mode are requested to register their email IDs with the Registrar & Share Transfer Agents of the company and Members holding shares in demat mode are requested to register their email IDs with their respective DP in case the same is still not registered. Members are also requested to notify any change in their email ID or bank mandates or address to the company and always quote their Folio Number or DP ID and Client ID Numbers in all correspondence with the company. In respect of holding in electronic form, Members are requested to notify any change of email ID or bank mandates or address to their Depository Participants.

11. Members holding shares in electronic form may please note that their bank details as furnished to the respective Depositories will be printed on their dividend warrants as per the applicable regulations. The company will not entertain any direct request from such Members for deletion or change of such bank details. Instructions, if any, already given by Members in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares in electronic form.

12. Any query relating to financial statements must be sent to the company's Registered Office at least seven days before the date of the Meeting.

13. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the company to consolidate their holdings in one folio.

14. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation, which include easy liquidity, since trading is permitted in dematerialised form only, electronic transfer,



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savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.

15. Members can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the company. Blank forms will be supplied on request.

16. Shareholders are requested to promptly notify any change in their addresses.

17. The Register of Members and Share transfer books of the company shall remain closed from 19th August 2023 to 25th August 2023 (both days inclusive).

18. Members/ Proxies should bring the attendance slips duly filled in for attending the meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

19. Member(s) can opt for only one mode of voting either physical voting at the annual general meeting or voting through E- Voting/ Ballot. A member, who has voted through E-Voting mechanism, is not debarred from participating in the general meeting physical. However, he shall not be allowed to vote in the meeting again and his earlier vote (cast through e-means) shall be treated as final.

20. It will be appreciated that queries, if any, on accounts and operations of the company are sent to the registered office of the company ten days in advance of the meeting so that the information may be made readily available.

21. Electronic copy of the Annual Report for the financial year 2022-23 is being sent to the shareholders whose email address are registered with the company or depository participants for communication with the company.

The shareholders whose email is not registered with the company; the Annual Report is sent to them in permitted mode.

22. Members are requested to bring their copy of Annual Report to the Meeting.

23. Voting through electronic means.

(a) In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Service provided by Link Intime India Pvt. Ltd.

(b) The instructions for e-voting are given as per **Annexure**.



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(c) The e-Voting Period commences on **22nd August 2023 (9:00 AM) and ends on 24th August 2023 (5:00 PM)**. During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled CDSL for voting thereafter. Once the decision on a Resolution is cast by the shareholder, the shareholder is not allowed to change it subsequently. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on Mr. Amit Agrawal, Practicing Company Secretary (Membership No.5311) and has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the Votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the Votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared in the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be Placed on the company's website and the website of CDSL within two (2) days of passing of the resolutions at The AGM of the Company and communicated to the BSE Limited.

10. Explanatory statement for Item no. 4 to Item no 8 pursuant to section 102 of the Companies Act, 2013 is annexed to the notice.

EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), given hereunder sets out all material facts relating to the special business mentioned at Item Nos. 4 to 8 of the accompanying Notice dated June 19, 2023.

Item No. 4

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company had appointed Ms. Sapna Jain as an Director of the Company as well as an Independent Director, not liable to retire by rotation, for a term of five years i.e. from August 25, 2023 upto August 24, 2028 (both days inclusive), subject to approval of the Members.

Pursuant to the provisions of Section 149, 150 and 152 of the Companies Act, 2013 ('the Act') and applicable article of the Articles of Association of the Company, Ms. Sapna Jain be and is hereby appointed as independent director of the Company. The profile and specific areas of expertise of Ms. Sapna Jain are provided as Annexure to this Notice.

Ms. Sapna Jain has given her declaration to the Board, inter alia, confirming that (i) she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as



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a Director by virtue of any Order passed by SEBI or any such authority (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act and (iv) she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties with an objective independent judgment and without any external influence. She has also given her consent to act as a Director.

In the opinion of the Board, Ms. Sapna Jain is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and she is independent of the management. Given her experience, the Board considers it desirable and in the interest of the Company to have Ms. Sapna Jain on the Board of the Company and accordingly the Board recommends the appointment of Ms. Sapna Jain as an Independent Director as set out at Item No. 4 of this Notice for approval by the Members Electronic copy of the terms and condition of appointment of the Independent Directors is available for inspection. Please refer to Note 7 given in the Notice on inspection of documents.

Except for Ms. Sapna Jain and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item No. 5

Based on the recommendation of the Nomination and Remuneration Committee ('NRC'), the Board of Directors of the Company had appointed Mr. Vikas Paliwal (DIN: 06654299) as an Additional Director of the Company as well as an Independent Director, not liable to retire by rotation, for a term of five years i.e. from May 27, 2023 upto May 26, 2028 (both days inclusive), subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and Article 132 of the Articles of Association of the Company, Mr. Vikas Paliwal shall hold office up to the date of this AGM and is eligible to be appointed as a Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from a Member, proposing his candidature for the office of Director. The profile and specific areas of expertise of Mr. Vikas Paliwal are provided as Annexure to this Notice.

Mr. Vikas Paliwal has given his declaration to the Board, inter alia, confirming that (i) he meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, (ii) is not restrained from acting as a Director by virtue of any Order passed by SEBI or any such authority (iii) is eligible to be appointed as a Director in terms of Section 164 of the Act and (iv) He is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence. He has also given her consent to act as a Director.



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In the opinion of the Board, Mr. Vikas Paliwal is a person of integrity, possesses relevant expertise / experience and fulfills the conditions specified in the Act and the SEBI Listing Regulations for appointment as an Independent Director and he is independent of the management. Given his experience, the Board considers it desirable and in the interest of the Company to have Mr. Vikas Paliwal on the Board of the Company and accordingly the Board recommends the appointment of Mr. Vikas Paliwal as an Independent Director as set out at Item No. 5 of this Notice for approval by the Members. Electronic copy of the terms and condition of appointment of the Independent Directors is available for inspection. Please refer to Note 7 given in the Notice on inspection of documents.

Except for Mr. Vikas Paliwal and/or his relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Item No. 6 to 7

Regulation 23 of the SEBI Listing Regulations, inter alia, states that all Material Related Party Transactions ('RPTs') shall require prior approval of the Members by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm's length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds `1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Further, Regulation 2(1)(zb) of the SEBI Listing Regulations has provided the definition of related party and Regulation 2(1)(zc) of the SEBI Listing Regulations has enhanced the definition of related party transaction which now includes a transaction involving a transfer of resources, services or obligations between (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or (ii) a listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit any related party of the listed entity or any of its subsidiaries,

In view of the above, Resolution Nos. 6 to 7 are placed for approval by the Members of the Company. As mentioned in the Board's Report, the list of the subsidiaries, associate and joint arrangements is available on the website on the Company.

The Management has provided the Audit Committee with relevant details of the proposed RPTs, including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs, subject to approval by the Members at the ensuing Annual general Meeting. The Audit Committee has noted that the said transaction(s) will be at an arm's length pricing basis and will be in the ordinary course of business.



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Item No 06

Details of the proposed RPTs between the Company and Shri Krishan Aggregates Private Limited ('SKAPL') including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

SI No	Description	Details of proposed RPTs between MFL India Limited ('the Company') and Shri Krishan Aggregates Private Limited ('SKAPL')
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	The SKAPL was incorporated as on 19/11/2012. Mr. Anil Thukral, is the common director in both companies i.e. MFL India Limited and SKAPL. SKAPL is a Related Party of the Company, as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company and SKAPL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding Rs. 10 crore: <input type="checkbox"/> Sale / Purchase of goods <input type="checkbox"/> Availing/ rendering of engineering and non-engineering services <input type="checkbox"/> Investments made <input type="checkbox"/> Inter-corporate deposits taken / given <input type="checkbox"/> High-Bond license pass out costs
c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	
2	Justification for the proposed RPTs	SKAPL provides stone crusher and building materials.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	
a.	Details of the source of funds in	Own share capital / Internal accruals



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	connection with the proposed transaction	and liquidity of the Company and SKAPL
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness - Cost of funds and - Tenure	Not applicable
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Inter-corporate deposits taken aggregating to, not exceeding, Rs. 10 crore outstanding at any point of time.
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	To meet working capital requirements of the Company
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.
5.	Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Mr. Anil Thukral, Managing Director-Designate of the Company is also an Director on the Board of SKAPL. Their interest or concern or that of their relatives is limited only to the extent of their holding directorship / KMP position in the Company and SKAPL.
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section



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	102(1) of the Act, forming part of this Notice.
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None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 6 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 6 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 6 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

Item No: 7

Details of the proposed RPTs between the Company and Artha Logistics Private Limited ('ALPL') including the information required to be disclosed in the Explanatory Statement pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021, are as follows:

SI No	Description	Details of proposed RPTs between MFL India Limited ('the Company') and Artha Logistics Private Limited ('ALPL')
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	The ALPL was incorporated as on 27/02/2017. Mr. Anil Thukral, is the common director in both companies i.e. MFL India Limited and ALPL. ALPL is a Related Party of the Company, as on the date of this Notice.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company and ALPL have entered into / propose to enter into the following RPTs during FY 2023-24, for an aggregate value not exceeding Rs. 50 crore: <input type="checkbox"/> Sale / Purchase of goods <input type="checkbox"/> Availing/ rendering of engineering and non-engineering services <input type="checkbox"/> Investments made <input type="checkbox"/> Inter-corporate deposits taken / given <input type="checkbox"/> High-Bond license pass out costs



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c.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs.	
2	Justification for the proposed RPTs	ALPL provides vehicle hiring services.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary	
a.	Details of the source of funds in connection with the proposed transaction	Own share capital / Internal accruals and liquidity of the Company and ALPL
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness - Cost of funds and - Tenure	Not applicable
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Inter-corporate deposits taken aggregating to, not exceeding, Rs. 50 crore outstanding at any point of time.
d.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	To meet working capital requirements of the Company
4.	Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder.	The pricing mechanism followed for recurring transactions is based on the past practices adopting Arm's Length Principle substantiated with report of reputed external agencies obtained by the Company and the electronic copy of the same is available for inspection. Please refer to Note given in the Notice on inspection of documents. In the case of other RPTs, the pricing mechanism would be as per Arm's Length criteria based on the market price or alternative pricing method of relevant materials and/or services. Valuation report or other external report, as may be applicable, shall be obtained by the parties concerned. In the case of reimbursements / recoveries, same would be basis actual cost incurred.
5.	Name of the Director or Key	Mr. Anil Thukral, Managing Director-



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	Managerial Personnel ('KMP') who is related, if any and the nature of their relationship	Designate of the Company is also an Director on the Board of ALPL. Their interest or concern or that of their relatives is limited only to the extent of their holding directorship / KMP position in the Company and ALPL.
6.	Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice.

None of the other Directors, KMPs and/ or their respective relatives is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 7 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 7 of the Notice convening this AGM, for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 7 of the Notice, whether the entity is a Related Party to the particular transaction(s) or not.

Item No. 8

The Board of Directors in their meeting held on 19/06/2023 had approved the remuneration of Mr. Anil Thukral, Managing Director of the Company.

As per Section 197 and other applicable provisions of the act, the remuneration payable to any one managing director or whole-time director or manager shall not exceed 5% of the net profits of the Company or Rs. 2,00,000/- per month and if there is more than one such director remuneration shall not exceed 10% of the net profits to all such directors and manager taken together.

However, the total managerial remuneration payable to the executive director(s) of the Company taken together in any financial year shall not exceed the limit of 10% of net profit and overall managerial remuneration payable to all directors shall not exceed the limit of 11% of net profit of the Company as prescribed under Section 197 of the Act read with rules made thereunder or other applicable provisions or any statutory modifications thereof. The Board of Directors of the Company at vide its circular resolutions dated 19/06/2023 has approved payment of remuneration to Mr. Anil Thukral, as per limit prescribed under Section 197 and other applicable provisions of the act, subject to the approval of the members at this EGM.



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Mr. Anil Thukral was appointed as a Managing Director of the Company on 05/04/2012. He has been instrumental in contributing to the growth and development of the Company since its appointment.

During FY 2023-24, the Board implemented a Long-Term Incentive Plan ('the Plan') to reward the senior leadership and eligible employees of the Company. The Plan is targeted towards enhancing employee engagement, and to reward the employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company and to create a sense of ownership amongst them.

The consent of members is sought in supersession of the any previous resolution for the fixation of remuneration of Mr. Anil Thukral as a Managing Director of the Company.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval of the Members. Mr. Anil Thukral, being appointee and his relatives are deemed to be interested in the said resolution.

Except Mr. Anil Thukral, none of the other Directors / Key Managerial Personnel of the Company and their relatives is/are in any way, concerned or interested, financially or otherwise in the resolution set out at Item No. 8 of the Notice.



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ANNEXURE- 1 TO THE NOTICE DATED 3rd AUGUST 2023 – ITEM NO. 2

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING [PURSUANT TO REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 & SECRETARIAL STANDARD 2.

Name of Director	Mr. Syed Zameer Ulla
DIN	07486691
Age	46 Years
Qualification	Post Graduate
Experience inspecific functional area	Rich experience in Logistic Industry
Terms and Conditions of Re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Mr. Syed Zameer Ulla, who was appointed as Non-Executive Director, is liable to retire by rotation
Remuneration last drawn (FY 2021-22)	NIL
Remuneration proposed to be paid	NIL
Date of Appointment	04.03.2017
Shareholding in the Company as on March 31, 2023	nil
Relationship with other Directors / Key Managerial Personnel	No
Number of meetings of the Board attended during the financial year (2022-23)	04
Directorships of other Companies*	No
Membership / Chairmanship of Committees of other Boards as on March 31, 2023*	Chairman-1 Committee Member- 3 Committee

***Includes directorship/ Membership / Chairmanship of Committees in MFL India Limited and excludes directorship in Private Companies, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013 and Alternate Directorships.**



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DIRECTORS' REPORT

To
The Members,

Your directors have pleasure in presenting the **40th** Annual Report of the Company together with Audited Accounts and the Auditor's Report of your Company for the financial year ended on 31st March 2023.

MFL India Limited is a leading logistics company having operations PAN- India. Your company offers various services to clients such as transportation & trucking and successfully operates in the country.

MFL India Limited is firmly built on belief of offering unmatched quality services, driven by strong expertise and experience in providing customized and personalized services.

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner and reasonably present our situation, profits, and cash flows for the year.

The summarized financial performance for the year ended 31st March 2023 is as follows:

Financial Results

(Rs. In 000)

Particulars	2022-23	2021-22
Sales, other income & prior period income	1,38,015	45,519
Expense	1,37,974	27,691
Profit/(Loss) before exceptional and extraordinary items	40	17,828
Exceptional items	-	-
Extraordinary items	-	-
Profit/(Loss) before taxation	40	17,828



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Less: Current Tax	0	0
Earlier Year Tax	0	0
Add: Deferred Tax /tax paid / adjustments made earlier year	0	0
Profit/(Loss) for the period from continuing operations	40	17,828
Profit/(Loss) for the period from discontinuing operations	-	-
Tax expenses of discontinuing operations.	-	-
Profit/(Loss) for the period	40	17,828

Financial Performance

For the financial year ended March 31, 2023, your Company earned Profit/Loss before Tax of Rs. 40 Lakhs against Profit of Rs.178.27 Lakhs in the previous financial year. The total income for the year under consideration is Rs. 1,38,015 Lakhs and total expenditure is Rs. 1379.74Lakhs.

Number of Board Meeting

Ten Board Meetings were held during the year, as against the minimum requirement of five meetings.

The details of Board Meetings are given below:

Date	Board Strength	No of Directors Present
30/05/2022	4	4
13/08/2022	4	4
05/09/2022	4	4
14/11/2022	4	4
14/02/2023	4	4



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Dividend

Due to the requirement of fund, your director has not declared any dividend during the financial year ended 31st March 2023.

Segment wise performance

The Company operates in only one segment i.e., Transportation/Trucking, and therefore, has no separate reportable segments.

Outlook

MFL India Limited is a premier transport and Logistics Company with Pan-India coverage. Company is on track to achieve its expansion objectives. There is a tremendous demand for Logistics in India. Hence MFL India Limited immediate focus will be to bridge this gap by ramping up capacities across the country.

Your Company has since last few years taken initiatives to broaden its fleet base to minimize the risks and maximize the gains. In its effort in this regard, the Company has been adding more fleet for domestic operations. With expansion of fleet the Company would be in a better position to maximize its gains from the markets.

Internal Financial Controls

Your Company has established and maintained a framework of internal financial controls and compliance systems. Based on the same and the work performed by the internal auditors, statutory auditors and external agencies and the reviews performed by Top Management team and the Audit Committee, your directors are of the opinion that your Company's Internal Financial Controls were not adequate and not effective during the financial year 2022-23.

Further the statutory auditors of your company have also issued a report on internal control over financial reporting (as defined in section 143 of Companies Act 2013) for the financial year ended March 31, 2023, which forms part to the Statutory Auditors Report.

Corporate Social Responsibility

The Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate policy on corporate social responsibility.

Risks and Concerns

The Board of Directors has put in place a Risk Management policy for the Company, which includes industry risks, quality risks, project risks and financial/ interest rate / liquidity risks and the structure, infrastructure, processes, awareness, and risk assessment / minimization procedures. The elements of the risk, which in severe form



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can threaten Company's existence, have been identified by the Board of Directors to mitigate the same.

Deposits

During the year under review the Company has not accepted any money from the public as Deposits.

Particulars of Contracts or Arrangements with Related Parties

All contracts/ arrangements/ transaction entered by the Company during the financial year with related parties in the ordinary course of business and on arm's length price basis. During the year the Company has entered contracts/ arrangements/ transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions, transaction description is provided in the Additional notes of Accounts.

Meeting of independent director

During the year under review, an annual Independent Directors meeting was convened on September 05, 2022, and February 14, 2023, to review the performance of the Non-Independent/ Non-Executive Directors including the Chairman of the Board and performance of the Board as a whole. The Non- Independent Directors did not take part in the meeting. In accordance with the Listing Regulations, following matters were, inter alia, discussed in the meeting:

- Performance of Non-Independent Directors and Board as a whole,
- Performance of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors,
- Assessment of the quality, quantity, and timeliness of flow of information between the Company,
- Management and the Board that is necessary for the Board to Perform their duties effectively and reasonably,

Declaration by the Independent Directors

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, all the Independent Directors of your Company have given declaration that they have met the criteria of independence as required under the Act and the regulations.

Familiarization Programme for Independent Directors

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature



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of the industry in which the Company operates, business model of the Company, etc., through various programmes.

Share Capital

During the year, there is no change in the Equity Share Capital of the Company in the Financial Year 2022-23.

Evaluation of Directors, Board and Committee

Pursuant to the provisions of the Act and the corporate governance requirements as prescribed by SEBI under Clause 49 of the Equity Listing Agreement, the Board of Directors ("Board") has carried out an annual evaluation of its own performance, and that of its committees and individual Directors.

The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee Members. The Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual Directors. A separate meeting of Independent Directors was also held to review the performance of Non-Independent Directors; performance of the Board as a whole and performance of the Chairperson of the Company, considering the views of Executive Directors and Non-Executive Directors. This was followed by a Board meeting that discussed the performance of the Board, its committees, and individual Directors.

The criteria for performance evaluation of the Board included aspects like Board composition and structure; effectiveness of Board processes, information and functioning etc. The criteria for performance evaluation of Committees of the Board included aspects like composition of Committees, effectiveness of Committee meetings etc. The criteria for performance evaluation of the individual Directors included aspects on contribution to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. In addition, the Chairperson was also evaluated on the key aspects of his role.

Directors and Key Managerial Personnel (KMP)

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr Syed Zameer Ulla, Director, who retires by rotation and being eligible, has offered himself for re-appointment. In compliance with Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, brief resume of all the Directors proposed to be appointed / re-appointed are attached along with the Notice of the ensuing Annual General Meeting. Apart from the above, there have been no changes in Directors and KMP.

Board Committees

Detailed composition of the mandatory Board committees namely Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee,



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number of meetings held during the year under review and other related details are set out in the Corporate Governance Report which forms a part of this Report.

Remuneration Committees

The Company has in place a Remuneration Policy for the Directors, Key Managerial Personnel, and other employees, pursuant to the provisions of the Act and Clause 49 of the Listing Agreement.

Increase in Managerial Remuneration

During the financial year 2022-23, there was no hike in remuneration of managing Director and whole-time director which is provided below: **Nil**

Name Of Director	Designation	Remuneration
	Director	

Insider Trading Regulations

Based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, the code of conduct for prohibition of insider trading, as approved by the Company. The Company has also adopted the concept of Trading Window Closure, to prevent its Directors, Officers, designated employees, and other employees from trading in the securities of the Company at the time when there is unpublished price sensitive information.

Insurance and Risk Management

The Company has constituted a Risk Management Committee (RMC) which has been entrusted with responsibility to assist the Board in

- a) Overseeing the Company's risk management process and controls, risk tolerance and capital liquidity and funding.
- (b) Setting strategic plans and objectives for risk management and review of risk assessment of the Company
- (c) Review the Company's risk appetite and strategy relating to key risks, including credit risk, liquidity and funding risk, market risk, product risk and reputational risk, as well as the guidelines, policies and processes for monitoring and mitigating such risks.

The Committee has also approved and adopted Risk Committee Charter. The Company has adopted a Risk Management Policy in accordance with the provisions of the Companies Act, 2013 (hereinafter referred to as the Act) and Clause 49 of the Listing Agreement. It establishes various levels of accountability and overview within the Company, while vesting identified managers with responsibility for each significant risk.



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The Board takes responsibility for the overall process of risk management in the organization. Through Enterprise Risk Management programme, Business Units and Corporate functions address opportunities and the attendant risks through an institutionalized approach aligned to the Company's objectives. This is facilitated by internal audit. The business risk is managed through.

Cross functional involvement and communication across businesses. The results of the risk assessment and residual risks are presented to the senior management. Prior to constituting the RMC, the Audit Committee was reviewing business risk areas covering operational, financial, strategic, and regulatory risks.

Employees Stock Option Scheme

During the year under review, the Company has not issued any ESOPs.

Statutory Auditors

M/s V.K. Sehgal & Associates, Chartered Accountants, (FRN: 011519N), 201- Harsha Bhawan, 64-65, Nehru Place, New Delhi-110019 were re-appointed as Statutory Auditors of the Company for a period of 5 years and to hold office from the conclusion of 40th Annual General Meeting of the company up to the 45th AGM which will be held in calendar year 2028 and in this regard the board of directors and audit committee of the Company be and are hereby authorized to fix their remuneration plus travelling and other out of pocket expenses incurred by them in connection with statutory audit or continuous audit and also such other remuneration, as may be decided to be paid by the Board of Directors and Audit Committee of the Company, for performing duties other than those referred to herein above.

Independent Auditor's Report

The Auditors in their report have referred to the notes forming parts of Accounts. The said notes are self-explanatory but need to require some clarification about the Company's ability to continue going concern basis, as per Auditor's Report.

The auditor had made the qualification in their report and cast the doubt on the company's ability to continue as a going concern. In this regard it is to hereby submit that the director's of the company is striving for the continuous of the business operation of the company and in discussion with various strategical investors to infuse the fund into the business of the company and the director's are positive, the company will bring into the business in next couple of months.

Internal Auditors

M/s APJ & Company, Chartered Accountants, has been appointed in your company for the purpose of Internal Audit for the Financial Year 2022-23. Your board of directors has re-appointed M/s APJ & Company, Chartered Accountants as internal auditor for the Financial Year 2023-24.



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Secretarial Audit and the Appointment of Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Manoj Purvey & Associates, a practicing Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith.

Cost Audit

The cost audit is not applicable on our company.

Buy Back of Shares

The Company has not made any offer to Buy Back of its shares, during the year under review.

Particulars of Employees

No employee of the Company is covered under section 197(12) of the Companies Act, 2013 read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended to date.

Conservation Of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo

Information's furnished in Annexure "1" and forms part of this report.

Report On Corporate Governance

As stipulated by clause 49 of the Listing Agreement, the Report on Corporate Governance is given separately in this Annual Report. The Certificate of M/s. Manoj Purbey & Associates, Company Secretary in Practice, regarding the Compliance of Clause 49 of the Listing Agreement is enclosed herewith and form part of Directors' Report.

Web Link of Annual Return If Any

The Extract of the annual return in the form of MGT-9 is available on the Company web site i.e., www.mflindia.info.

Corporate Governance

Pursuant to Schedule V of the SEBI Regulation the following Reports/Certificates form part of the Annual Report.

- The Report on Corporate Governance.



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- The Certificate duly signed by Chief Financial Officer on the Financial Statements of the Company for the year ended March 31, 2023, as submitted to the Board of Directors at their meeting held on July 14, 2023.
- The declaration by the Managing Director regarding compliance by the Board members and senior management personnel with the Company's Code of Conduct.

Vigil Mechanism

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

Compliance with Provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition, and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under for prevention and redressal of complaints of sexual harassment at workplace. The Company is committed to providing equal opportunities without regard to their race, caste, sex, religion, colour, nationality, disability, etc. All women associate (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this policy. All employees are treated with dignity with a view to maintain a work environment free of sexual harassment whether physical, verbal, or psychological.

Directors' Responsibility Statement

In accordance with the provisions of section 134(5) the Board confirms and submits the Director's Responsibility Statement:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.



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- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the company.
- d. The directors had prepared the annual accounts on a going concern basis.
- e. The directors, as the company is listed, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. "Internal financial controls" means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of the frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.
- g. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

The Directors acknowledge with gratitude the support given to the Company by the dealers, customers and suppliers, shareholders and investors who indeed deserve a special mention for their faith and confidence reposed by them in the Company.

**By Order of the Board
MFL India Limited**

**Place: New Delhi
Date: 24.07.2023**

Sd/-
**(Anil Thukral)
Managing Director
DIN -01168540**

Sd/-
**(Syed Zameer Ulla)
Director
DIN-07486691**



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Management Discussion & Analysis and Review of Operations and Future Law

Overview

MFL India Limited is a premier transport and logistics company with Pan-India coverage; having a self-owned fleet of mixed variety high-volume / heavy-weight cargo carriers; along-with a diversified portfolio of transportation services that includes dedicated high-capacity trucks, trailers.

MFL's logistics' portfolio includes freight management, cargo brokerage, inter-modal is provided through MFL's domestic networked companies and include ocean, air and ground transportation.

The main commodities transported are retail store merchandise, 2- wheeler motorcycles / scooters, consumer products, FMCGs, other manufactured products and grocery products

Industry Structure

Logistics industry in India has huge demand especially with the growth of the Indian economy along with the influx of new companies in sectors that were otherwise unknown.

The logistics sector in India was valued at US\$ 250 billion in 2021, with the market predicted to increase to an astounding US\$ 380 billion by 2025, at a healthy 10%-12% year-on-year growth rate.

The industry comprises the following main segments:

- Freight and passenger transportation via road, rail, air and water
- Warehousing and cold storage

Development of transportation and logistics-related infrastructure such as dedicated freight corridors, logistics parks, free trade warehousing zones, and container freight stations are expected to improve efficiency. Government reform initiatives, promotion of manufacturing and trade, improving investment climate are expected to transform the industry and drive growth between 2020 and 2025.

Economic reforms, trade cooperation, improved transportation infrastructure, and industrial growth is ushering in increasing opportunities for the logistics service providers (LSPs) in India. Presently, the Indian logistics industry is witnessing development and expansion of its existing infrastructure, emergence of e-commerce specific logistics solutions, has a strong focus on manufacturing, but also has a large presence of unorganized service providers.

Key trends observed in the Indian logistics industry are:



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- Government initiatives to promote the manufacturing sector and exports are likely to increase the demand for logistics functions. Trade with Asia, Europe, and North America are likely to remain major drivers for freight forwarding and transportation companies in the region.
- Major investments by both public and private sectors in the last five years on infrastructure, technology upgrades and expansion of sea and airport facilities, and dedicated logistics corridor in the rail network are expected to strengthen the Indian logistics infrastructure.
- The booming e-commerce market in India is bringing in new opportunities for LSPs. The evolving business model(s) in this space focuses on containing logistics and delivery costs.
- The expected implementation of nationwide uniform GST is likely to transform the distribution structure of majority of industries as it eliminates the need for dedicated warehouses for each individual administrative region

India stands alone as an island of hope in an otherwise volatile, and uncertain, global economy. Recent policy initiatives and regulatory changes pursued by the government are aimed at accelerating India's GDP growth to 7.36% and beyond, in the near future. The logistics industry will be a direct beneficiary of this growth momentum. Equally, the ultimate winner within the logistics industry will be one who is able to outpace competition by delivering on the ever-increasing demands of service, quality, and cost in both B2B and B2C sectors.

Industry Development

India's Logistics Market is estimated to be USD 435.43 BN in 2023 and is expected to reach USD 650.52 BN by 2028, growing at a CAGR of 8.36%.



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Market dynamics are forces that impact the prices and behaviours of the stakeholders. These forces create pricing signals which result from the changes in the supply and demand curves for a given product or service. Forces of Market Dynamics may be related to macro-economic and micro-economic factors. There are dynamic market forces other than price, demand, and supply. Human emotions can also drive decisions, influence the market, and create price signals.

As the market dynamics impact the supply and demand curves, decision-makers aim to determine the best way to use various financial tools to stem various strategies for speeding the growth and reducing the risks

Improving logistics sector has huge implication on exports and it is estimated that a 10 per cent decrease in indirect logistics cost can increase 5-8 per cent of exports, apart from increasing trade, better performance in logistics will augment programmes like Make in India, and also enable India to become an important part of the global supply chain.

Recent Scenario

The recent Indian logistics sector comprises of inbound and outbound segments of the manufacturing and service supply chains. Of late, the logistics infrastructure has gained a lot of attention both from business industry as well as policy makers. The role of managing this infrastructure, to effectively compete has been slightly under-emphasized.

Inadequate logistics infrastructure has an effect of creating bottlenecks in the growth of an economy. The logistics management regimen has the capability of overcoming the disadvantages of the infrastructure in the short run while providing cutting edge



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competitiveness in the long term. There exist several challenges and opportunities for logistic sector in the Indian economy.

Challenges Faced by the Recent Logistic Industry in India

An essential challenge faced by the industry today is the insufficient integration of transport networks, information technology, and warehousing & distribution facilities. Regulations exist at a number of different tiers, is imposed by national, regional, and local authorities. However, the regulations differ from city to city, hindering the creation of national networks.

Trained manpower is essential both for the third-party logistics sector as well as the manufacturing and retailing sectors, which is very weak at a practical level, i.e., IT, driving and warehouse as well as at a higher strategic level. The disorganized nature of the logistics sector in India, its perception as a manpower-heavy industry and lack of adequate training institutions has led to a shortfall in skilled management and client service personnel. There is a lack of IT standard, equipment, and poor systems integration.

Poor facilities and management are the reason for high levels of loss, damage, and deterioration of stock, mainly in the perishables sector. Part of the problem is insufficient specialist equipment, i.e., proper refrigerated storage and containers, but it is also partly down to lack of training. The practitioners and the academicians are now aware of the importance of logistics and supply chain; however, the field is still under-penetrated as far as research is concerned. It is essential to prioritize research and development so that the weaknesses in the industry can be taken care of and improved.

Solutions to Some of the Challenges

Infrastructure is the backbone of every country's growth and prosperity and for the logistics industry to flourish special emphasis has to be on building world-class road networks, integrated rail corridors, Modern cargo facilities at airports and creation of logistics parks which need to be given a status equivalent to Special Economic Zones.

It is necessary to realize that the benefits which can best be practiced in logistics industry can be brought about by the companies by establishing training intuitions so that there is improvement in the overall service quality of the sector. Good storage and Warehousing facilities are important for the growth of the logistics industry. With the increase in the transportation of perishable products, the logistics agencies need to give a lot of importance to enhancing the Warehousing facilities.

Warehousing is required to go to the next level taking into account the changing dynamics of JIT manufacturing, global procurement and new models of sales and distribution. Emphasis on research and development is potent mainly because it encourages the use of indigenous technology which can make the industry cost competitive and can also bring about improvement in services thereby using better,



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effective, and efficient services. Particular focus has to be on research in process excellence which can help to eliminate inefficiencies and bring Indian logistics on par with global practices.

Future Prospects

The logistics firms are moving from a traditional setup to the integration of IT and technology to their operations to reduce the costs incurred as well as to meet the service demands. The growth of the Indian logistics sector depends upon its soft infrastructure like education, training, and policy framework as much as the hard infrastructure.

To support India's fast-paced economy growth of logistics industry is very essential. It is estimated that the Indian logistics industry will continue to show robust growth of 10-15% annually, leading the pace of growth of the economy at large.

The global economic outlook, indeed, that of India is expected to significantly improve as India Inc begins to tackle the economic downturn. With a new government many policies are expected to be implemented which will give a fresh impetus to India's growth engine particularly in the corporate and SME sector which in turn will expand demand for the logistics sector.

With the implementation of GST, logistics companies, which are currently forced to set up many small warehouses across multiple cities can set up just a few, big warehouses region wise and can follow the hub-and-spoke model for freight movement from the warehouses to the different manufacturing plants, wholesale outlets, retail outlets and the various POS. This growth is backed by the boom in the e-commerce sector and expansionary policies of the FMCG firms.

This has increased the service geography of the logistics firms, but they also have to meet the demands of quick delivery and tight service level agreements. The industry has moved from being just a service provider to the position which provides end to end supply chain solutions to their customers. Thus, all this has paved the way for further growth of Logistics and Warehousing industry in the coming years.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's strategies on business, projections and estimates are forward looking statements. The actual results may vary from those expressed or implied, depending upon economic conditions, Government policies, regulations, tax laws and other incidental factors.



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Annexure to the Directors' Report

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 forming part of Directors' Report.

1. Conservation of Energy

The Company Continuous its in-house programme of enlightening and educating commercial vehicle drivers for greater fuel efficiencies. All the vehicles owned by the company undergo an intensive Planned Preventive Maintenance (PPM) drill to keep the vehicles in top running conditions with special emphasis on fuel conservation.

2. Research & Development

The operations of the Company do not require any elaborate R& D Activities. The Company however maintains the quality of its services by constant quality control & evaluation for improvement of existing services.

3. Technology Absorption, Adoption & Innovation

No technical tie up has been entered so far. The Company however keeps itself abreast of the latest technological changes.

4. Foreign Exchange Earnings & Outgo

Total foreign exchange earned & used

i) foreign exchange earned NIL

ii) foreign exchange used NIL

5. MR -3 Secretarial audit report as per attachment

6. <https://www.mflindia.info/> Link of the website for AGM notice with explanatory notes and Annual Return

By order of the Board
MFL India Limited

Sd/-
(Anil Thukral)
Managing Director
DIN-01168540

Sd/-
(Syed Zameer Ulla)
Director
DIN-07486691

Place: New Delhi

Date: 24.07.2023



MFL India Limited

(CIN: L63040DL1981PLC012730)

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To,

The Members,

MFL India Limited

CIN: L63040DL1981PLC012730

94/4, UG-F, UG-9 Village Patparganj,
Delhi-110091

Our Secretarial Audit Report of even date is to be read along with this letter:

Management's Responsibility

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from this company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliances of laws, rules and regulations and happening of events etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date : 14.07.2023

Place: Delhi

For Manoj Purbey & Associates
(Companies Secretaries)

Sd/-

CS Lalan Kumar Singh

(Partner)

CP No. 8544, M.No 7837

Peer Review No.:1438/2021

UDIN: F007837E000613937



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Secretarial Audit Report **Form No. MR-3**

For The Financial Year Ended 31st March 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
MFL India Limited
CIN: L63040DL1981PLC012730
94/4, UG-F, UG-9 Village Patparganj,
Delhi-110091

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. MFL India Limited. (Hereinafter called the Company) having its registered office at 94/4, UG-F, UG-9 Village Patparganj, Delhi-110091. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the MFL India Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by MFL India Limited for the financial year ended on 31st March 2023 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under.
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed there under.
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment.
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.



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- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993.
- g) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- VI. Applicable Secretarial Standards issued by the Institute of Company Secretaries of India.
- VII. The Listing Agreements entered into by the Company with the National Stock Exchange Limited and BSE Limited in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
 - a) Indian Stamp Act to the extent applicable to the issue of Securities under the Companies Act, 2013.
 - b) Foreign Exchange management act, 1999 and the rules and regulations made there under to the extent of foreign direct investment.

Other Laws applicable specifically to the Company namely:

- I. The Motor Vehicles Act, 1988
- II. Motor Transport Workers Act, 1961
- III. Employee Provident Fund Scheme, 1952
- IV. Employee State Insurance Act, 1948
- V. Information Technology Act, 2000
- VI. Payment of Gratuity Act, 1972

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- III. The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to our below observation.



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a. *The Company is failed to complied the provision of Regulation 33 for the quarter ended 30.09.2022, Regulation 29(2)/29(3) for the quarter ended 30.09.2022, and Reg. 6(1) for the quarter ended 30.06.2022.*

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. No Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that the compliance by the company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit by another designated professional.

We further report that during the audit period, the Company has provided details of specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Manoj Purbey & Associates
(Companies Secretaries)

Date : 14.07.2023
Place: Delhi

CS Lalan Kumar Singh
(Partner)
CP No. 8544, M.No 7837
Peer Review No.:1438/2021
UDIN: F007837E000613937



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Report on Corporate Governance

Company's Philosophy on Corporate Governance

The essence of Corporate Governance is about maintaining the right balance between economic, social, individual and community goals. At MFL India Limited, good Corporate Governance is a way of life and the way we do our business, encompassing every day's activities and is enshrined as a part of our way of working. Your Company is focused on enhancement of long-term value creation for all stakeholders without compromising on integrity, societal obligations, environment, and regulatory compliances. Your Company is committed to the standards of Good Corporate Governance and adopted the principles of Good Corporate Governance in line with the requirements of the Corporate Practices enumerated in accordance with Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes.

The Company aims to achieve greater transparency by making adequate disclosures and enhancing long term economic value of its Shareholders, while giving equal respect to the society at large.

Given below is a brief report by the Director(s) on the practices followed at MFL India Limited to strive towards achievement of goal of Good 'Corporate Governance'.

- a) Enhancing long term Shareholder value through
 - Assisting the top management in taking sound business decisions; and
 - Prudent financial management.
- b) Achieving transparency and professionalism in all decisions and activities of the Company.
- c) Achieving excellence in Corporate Governance by
 - Conforming to the prevalent guidelines on Corporate Governance, and excelling in, wherever possible.
 - Reviewing periodically the existing systems and controls for further improvements

Policies

In compliance with the requirements of Listing Agreements with Stock Exchanges, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), SEBI Regulations and Companies Act, 2013, Board of Directors of the Company has approved various policies, as detailed herein:

Whistle Blower & Vigil Mechanism Policy

As per Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, Whistle Blower and Vigil Mechanism Policy has been approved and implemented within the organization. The policy enables the Employees and Directors



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to raise, and report concerns about unethical behaviour, actual or suspected fraud of any Director and/or Employee of the Company or any violation of the Code of Conduct. This Policy is available on the Company's website www.mflindia.info Further during the year under review, no case was reported under the Vigil Mechanism. No person was denied access to the Audit Committee.

Code of Conduct

The Company has also adopted a Code of Conduct for the Members of the Board of Directors and Senior Management. All the Directors and senior functionaries, as defined in the said code, provide their annual confirmation of compliance with the Code. The copy of the code is available on the website of the Company www.mflindia.info Besides the Code, the Company has also put in place a Policy on Ethics at Workplace which is applicable to all employees. The role and responsibilities of Independent Directors as prescribed in Schedule IV of the Companies Act, 2013 and/or prescribed in Listing Regulations forms part of the appointment letters issued to Independent Directors.

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management Personnel is given below:

DECLARATION

I confirm that the Company has obtained from all Directors and Senior Management Personnel of the Company their affirmation of compliance with the Code of Conduct for Members of the Board and Senior Management of the Company for the financial year ended March 31, 2023.

ANIL THUKRAL

Managing Director

H. No. G 504, Park View City, Sector 48, Gurgaon 122001

RELATED PARTY TRANSACTION POLICY

Policies & Code as Per SEBI Insider Trading Regulations

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Compliance officer is responsible for implementation of the Code.

All Board of Directors and the designated employees have confirmed compliance with the Code.



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Familiarisation Program for Independent Directors

Independent Directors are familiarised with their roles, rights, and responsibilities in the Company as well as with the nature of industry and business model of the Company through induction programs at the time of their appointment as Directors and at regular intervals through deep dive on various business segments of the Company. While review and approval of quarterly and annual financial statements of the Company are taken up detailed presentation covering inter alia economy and industry overview, key regulatory developments, strategy, and performance of the Company is made to the Board.

Apart from the above policies, the Board has in accordance with the requirements of Companies Act, 2013 and Listing Regulations approved and adopted Remuneration Policy, Material Events Determination and Disclosure Policy and Document Preservation Policy.

Board of Directors Composition and Category of Directors

MFL India Limited has a balanced Board with combination of Executive and Non-Executive Directors to ensure independent functioning and the current composition of the Board is in conformity with Regulation 17 (1) of the SEBI Listing Regulations. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149 (6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations.

The Board meets regularly to discuss, review, and decide upon the matters such as policy formulation, setting up of goals, appraisal of performances with the goals and control functions, etc. Some of the powers of the Board have also been delegated to Committee(s), which monitors the day-to-day affairs relating to operational matters. The Board thus exercises close control over the overall functioning of the Company with a view to enhance the Shareholder value

Composition of the Board as at the close of March 31, 2023: -

Category of Director	No. of Director	% to total no of Directors
Executive Director	1	25
Non- Executive Independent Director (Including Women Director)	3	75
Total	4	100

As mandated by Regulations 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulation) as of March 31, 2023, none of the independent directors of the company served as an independent director in more than seven listed entities and as per Regulation 26 of SEBI Regulation none of Directors is a



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member of more than ten committees or acting as Chairperson of more than five committees of the companies in which he is a director. The necessary disclosures regarding Committee positions have been made by the Directors.

The agenda setting out the business to be transacted at the meeting along with the explanatory notes are sent to the directors seven days before the Board Meeting date.

The name and categories of the directors on the Board, and committee Chairmanship/Memberships held by them in other companies are given herein below. Other directorships do not include alternate directorships, directorships of private limited Companies, Section 8 Companies and of Companies incorporated outside India. Chairmanships /Memberships of Board Committees include only Audit and Shareholders/Investors Grievance Committees:

Name of Directors	Categories of Directors	Number of Directorships in other public companies	No. of Committees position held in other companies	
			Chairman	Member
Anil Thukral	Executive Director	Nil	Nil	Nil
Syed Zameer Ulla	Non-Executive Independent Director	Nil	Nil	Nil
Nawab Khan	Non-Executive Non-Independent Director	Nil	Nil	Nil
Pratiksha Anant Patil	Non-Executive Independent Women Director	Nil	Nil	Nil

Number of Board Meetings

During the financial year under review, the Board met 4 (Four) Times on:

- a. 30/05/2022, b. 13/08/2022, c. 05/09/2022 d. 14/11/2022 e. 14/02/2023

The attendance record of each Directors at the Board Meetings during the period ended on 31st March 2023 and of last Annual General Meeting is as under: -

Name of Directors/CFO	Total No. of Meetings held	No. of board meeting attended	Attendance at the last AGM
Anil Thukral	05	05	Yes
Syed Zameer Ulla	05	05	Yes
Pratiksha Anant Patil	05	05	Yes
Nawab Khan	05	05	Yes



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None of the Directors of your Company are *inter-se* related to each other.

None of the Non-Executive Directors of the Company holds any shares and convertible instruments of the Company.

Board Procedure

The Board Meetings of the Company are governed by a structured agenda. The Company Secretary in consultation with Managing Director finalises the agenda of the Board Meetings. All major agenda items, backed up by relevant and comprehensive background information, are sent well in advance of the date of the Board Meeting(s) to enable the Board Members to take informed decision. Any Board Member may, in consultation with the Chairman of the Meeting and with the consent of all

Independent Directors present at the meeting, bring up any matter at the meeting for consideration by the Board. Senior Management personnel are invited from time to time to the Board Meetings to make requisite presentations on relevant issues or provide necessary insights into the operations / working of the Company and corporate strategies. The Board periodically reviews Compliance Reports in respect of various laws and regulations applicable to the Company.

Performance Evaluation

The Board has carried out evaluation of its own performance, the directors individually and evaluation of working of the committees of the Board during the financial year 2022-23. The structured evaluation process contained various aspects of the functioning of the Board and its committees, number of committees and their roles, frequency of meetings, level of participation, and independence of judgment, performance of duties and obligations and implementation of good corporate governance practices

The Board expressed its satisfaction of the performance of all the directors, Board and its committees which reflected the overall engagement of the directors, the Board and its committees with the Company.

Board Committees

Your Board has constituted Committees for smooth and efficient operation of day-to-day business of the Company. These Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. Each Committee of the Board is guided by and operates under the terms of reference, which has been framed in compliance with applicable laws defining the scope, powers, and composition of the Committee. The minutes of the meetings of all the Committees are placed before the Board.

Audit Committees

The Board has constituted a well-qualified Audit Committee. The Company has framed the mandate and working procedures of the Audit committee as required under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulation defining therein the term of reference, membership, powers, meeting procedures etc. of Audit Committee.



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The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. In addition to the foregoing, in compliance with requirements of Regulation 18 of the SEBI Listing Regulation, the Audit Committee reviews operations of subsidiary companies viz., its financial statement, significant related party transactions, statement of investments and minutes of meeting of the Board and Committees.

Term of reference

The Terms of reference and role of the Audit Committee are as per Regulation 18 and Schedule II Part C of the SEBI Listing Regulations and Section 177 of Companies Act, 2013. The Committee meets periodically and inter alia:

- Reviews Accounting and financial reporting process of the Company.
- Reviews Audited and Un-audited financial results.
- Reviews Internal Audit reports, risk management policies and reports on internal control system.
- Discusses the larger issues that are of vital concern to the Company including adequacy of internal controls, reliability of financial statements/ other management information, adequacy of provisions for liabilities and whether the audit tests are appropriate and scientifically carried out in accordance with Company's current business and size of operations.;
- Reviews and approves of transactions proposed to be entered into by the Company with related parties including any subsequent modifications thereto.
- Reviews functioning of Whistle Blower & Vigil Mechanism Policy; and
- Recommends proposals for appointment and remuneration payable to the Statutory Auditor, Internal Auditor and Chief Financial Officer.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. Additionally, in compliance with requirements of Regulation 24 of the SEBI Listing Regulations, the Audit Committee reviews operations of Subsidiary Companies viz. its financial statements, significant related party transactions, statement of investments and minutes of meetings of its Board and Committees.

Composition and Meetings of the Audit Committee

S. No	Name of Director	Position	Category	No. of Meetings During the Year 2022-23	
				Held	Attended
1	Pratiksha Anant Patil	Chairperson	Non-Executive Independent	05	05
2	Anil Thukral	Member	Executive Director	05	05
3	Nawab Khan	Member	Non-Executive Non-Independent	05	05
4.	Syed Zameer Ulla	Chairperson	Non-Executive Independent	05	05



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The Chief Financial Officer, Head Finance, the Partner/ Representative of the Statutory Auditors, and the Internal Auditors are some of the invitees to the Audit Committee. Internal Auditors have attended Audit Committee Meetings wherein the Internal Audit Reports were considered by the Committee.

Nomination & Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

Term of reference

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal, and shall carry out evaluation of every director's performance.
2. Formulate the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel, and other employees.
3. Ensure the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
4. Ensure that relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
5. Formulate policy about remuneration to Directors, Key Managerial Personnel and Senior Management involving a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Composition and Meetings of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company comprised of Mr. Nawab Khan, Ms. Pratiksha Anant Patil, and Mr. Syed Zameer Ulla as the members of the Committee all being Independent Directors.

During the year under review, the Nomination and Remuneration Committee met Five (5) times on May 30, 2022, August 13, 2022, September 05, 2022, November 14, 2022 and February 14, 2023, and the necessary quorum was present at the meetings.

The details of attendance of Nomination and Remuneration Committee meetings during the financial year ended March 31, 2023, are as under: -

Name of the Director	Category	No. of meeting attended
Mr. Nawab Khan (Non-Executive Independent Director)	Chairman/Member	5
Ms. Pratiksha Anant Patil (Independent Director)	Chairman / Member	5
Mr. Syed Zameer Ulla (Non-Executive Independent director)	Chairman/Member	5



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Performance Evaluation Criteria for Independent Directors

Performance of each of the Independent Directors are evaluated every year by the entire board with respect to various factors like personal traits which include business understanding, communicate skills, ability to exercise objective judgment in the best interests of the Company and on specific criteria which include commitment, guidance to Management, deployment of knowledge and expertise, management of relationship with various stakeholders, independence of behaviour and judgment, maintenance of confidentiality and contribute to corporate governance practice within the Company.

Remuneration Policy

The Company has Executive Directors on the Board. The details of such remuneration are given below:

Details of remuneration of Executive Directors are as under:

Name of Director	Salary (Rs.)	Perquisites (Rs.)	Total (Rs.)
Nil	Nil	Nil	Nil

Details of sitting fees paid during the period:

Executive Directors and other Directors are not paid any sitting fees for attending the Board Meeting and its Committees

Shareholders/Investors Grievance and Share Transfer Committee

The Company has a Shareholders/Investors Grievance and Share Transfer Committee of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non receipt of notices/annual reports etc.

During the period under review, the members of the Shareholders/Investors Grievance and Share Transfer Committee met 5 (Five) times and the necessary quorum was present at the meetings.

The Composition of shareholders/Investors Grievance and Share Transfer Committee and the details of meeting attended by its members are given below:

Name of the Director	Category	No. of meeting held	No. of meeting attended
Mr. Syed Zameer Ulla (Non-Executive Independent director)	Chairperson/Member	5	5
Ms. Pratiksha Anant Patil (Independent Director)	Chairperson	5	5
Mr. Nawab Khan (Non-Executive Independent Director)	Member	5	5



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There was no application for share transfer pending as of 31st March 2023.

Details of investor's complaints received and redressed during the year 2022-23:

Opening Compliant during the year	Received during the year	Resolved during the year	Closing Compliant during the year
Nil	Nil	Nil	Nil

As on March 31, 2023, no investor grievance has remained unattended/ pending for more than thirty days.

Code of Conduct

The Company has adopted Code of Conduct ('Code') for the Members of the Board and Senior Management Personnel as required under Regulation 17(5) of the SEBI Regulation. All the Board Members and the Senior Management Personnel have affirmed compliance of the Code. The Annual Report of the Company contains a declaration to this effect signed by the Managing Director. Further, the Code of Conduct of the Company applicable to the Board and Senior Management Personnel is also posted on the website of the company.

General Body Meetings:

(a) The details of Annual General Meetings held in last three years are as under: -

AGM	Day	Date	Time	Venue
37 th	Wednesday	30.09.2020	10:00 A.M	94/4, UG-F, UG-9, Village - Patparganj, Delhi -110091
38 th	Thursday	30.09.2021	09:00 A.M	94/4, UG-F, UG-9, Village - Patparganj, Delhi -110091
39 th	Friday	30/09/2022	09:00 A.M	94/4, UG-F, UG-9, Village - Patparganj, Delhi -110091

Disclosures

i. Related party transactions:

There are no materially significant related party transactions of the company which have potential conflict with the interest of the company at large.

ii. Accounting Treatment:

While in the preparation of financial statements, no treatment different from that prescribed in an Accounting Standards has been followed.

iii. Details of non-compliance, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related capital markets, during the last three years: **NIL**



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Whistle Blower policy

The Company has formally established a Whistle Blower policy as a mechanism for its employees to report to the Management about any violation of business principles or unethical behaviour to the employees are free to access the Management or Chairman of audit Committee to report such instances.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Clause 49:

The Company has complied with all the mandatory requirements as laid down under Clause 49 of the Listing Agreement in letter as well as spirit. The details of these compliances are set out in the relevant sections of this Report. The company has also set up the Remuneration Committee as prescribed under non mandatory requirements in Annexure I D to the clause 49 of the Listing Agreement with the Stock Exchange, details of which have been given earlier in this report.

Internal Controls

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. The Company's business processes are on logy sis and have a strong monitoring and reporting process resulting in financial discipline and accountability

Prevention of Insider Trading

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Company Secretary & Compliance officer is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

Means of communication:

(i) **Publication of Results:**

The Quarterly Results/ Annual Results of the Company are published in the leading newspapers viz:-

The Financial Express (English)

Matro Media (Hindi)

(ii) **News, Release, etc:**

All vital Information pertaining to the Company and its Performance, financial or otherwise, its financial results, important developments in the Company sent to the stock exchanges from time to time and are regularly posted.

(iii) **Website:** www.mflindia.info



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General Shareholders' Information:

- a) **Registered Office:**
94/4, UG-F, UG-9,
Village - Patparganj,
Delhi –110091.
Email-mfldelhi81@gmail.com
- b) **Registrar & Share Transfer Agents:**
M/s. Link Intime India Private Limited,
44, Community Centre, 2nd Floor,
Naraina Industrial Area, Phase-I,
Near PVR Naraina, New Delhi – 110 028
- c) **Annual General Meeting to be held:**
- | Day, | Date, | Time & Venue: |
|----------|------------|-------------------------------|
| Saturday | 25/08/2023 | 03:00 P.M through online mode |
- d) **Financial Year:** 01/04/2022 to 31/03/2023 (both days inclusive)
- e) **Dividend Payment Date:** N.A.
- f) **Stock Exchanges in which the Company's Shares are listed:**
The Stock Exchange, Bombay Stock Exchange Limited, Mumbai
Stock Code: 526622
- g) **Status of payment of Listing Fees:**
The Company has paid the listing fees to the Stock Exchange, Mumbai.
- h) **Connectivity with the Depositories:**
National Securities Depositories Limited (NSDL)
Central Depository Services (India) Limited (CDSL)
ISIN Numbers: INE 244CO1012
- i) **Dematerialization of shares:**
As of March 2023, 34,25,30,740 Equity shares of the company stand dematerialized & this constitutes 95.06 in % of the holding in the Company.
- Corporate Office and Registered Office:**
94/4, UG-F, UG-9
Village-Patparganj, Delhi – 110 091.
Email-mfldelhi81@gmail.com
- j) **Share Transfer System**
Share transfers are affected on requests in Demat form as well as in physical form periodically at frequent intervals.
- k) **Person who conducted the e-voting exercise:**
The Board had appointed Mr. Amit Agrawal Practicing Company Secretary as Scrutinizer for conducting the said voting / Postal Ballot.



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CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
M/s. MFL India Limited
 94/4, UG-F, UG-9,
 Village- Patparganj,
 Delhi –110 091.

We have examined the Compliance of conditions of Corporate Governance by MFL India Limited (“ the Company”) for the period ended 31st March, 2023 as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Bombay stock exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the Company’s management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Amit Agrwal & Associates
 (Company Secretaries)**

**Sd/-
 CS Amit Agrawal
 (Partner)**

**CP No.3647 M.No.5311
 UDIN NO: F005311E000635050**

**Date: 18.07.2023
 Place: Delhi**



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CFO' S CERTIFICATION

To the Board of Directors of MFL India Limited

I, **Khemraj**, Chief Financial Officer of MFL India Limited to the best of my knowledge and belief, certify that:

- a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws, and regulations.
- b) No transactions entered into by the company during the years which are fraudulent, illegal, or violative of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the auditors and the Audit committee that:
 - i. there has not been any significant changes in internal control over financial reporting during the year under the reference.
 - ii. there has not been any significant changes in accounting policies except to the extent already disclosed in the financial statement(s); and
 - iii. there are no instances of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Delhi
Date: 14/07/2023

Sd/-
Khemraj
Chief Financial Officer



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Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

In terms of the requirement of Regulation 26(3) read with Schedule V Para D of the SEBI (Listing Obligations and Disclosure Requirements), 2015, code of conduct of the company has been displayed at the company's website: www.mflindia.info. All the members of the Board and the senior management personnel had affirmed compliance with the code for the year ending March 31, 2023.

Sd/
Anil Thukral
Managing Director
DIN: 01168540

Date: July 14, 2023
Place: Delhi



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Letter to Shareholders

Dear Shareholders,

MFL INDIA LIMITED is an Environment friendly Company and utilizes natural resources in a sustainable way. Recently, the Ministry of Corporate Affairs (MCA), Government of India through its Circular Nos. 17/2012 and 18/2012, dated April 21,2012 and April 29,2012 respectively, has allowed companies to send officials documents to their shareholders electronically as part of its green initiatives in corporate governance.

In order to conserve paper and minimize the impact on the environment, the company proposes to send documents such as notice of the General Meetings, Audited Financial Statements, Directors and Auditors Reports, Postal Ballots etc, henceforth to all its shareholders in electronic form through emails

We request you to inform your e-mail address to your Depository Participants and also register your e-mail ID at Company E-mail ID (mfl Delhi81@gmail.com) and our Registrar and Share Transfer Agents viz, "M/s Link In Time India Private Limited" at the website www.linkintime.com (E-mail ID: delhi@linkintime.co.in) in case you have already registered the same. You are not required to re-register unless there is change in your e-mail address.

You are also required to intimate to the Depository Participants (DP), if any in your registered address e-mail ID and /or changes in your bank account details.

We expect to receive your co-operations towards this welcome initiative taken by MCA

Thanking You
Yours truly

FOR MFL INDIALIMITED

Sd/-
Anil Thukral
Managing Director

Date: 24th July, 2023
Place: New Delhi



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INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
MFL India Limited

Report on the Ind AS Financial Statements

We, M/s V. K. Sehgal & Associates, Chartered Accountants, have audited the accompanying Ind AS financial statements of MFL India Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have nothing to report in this regard.

Management's Responsibility for Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial



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statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) (Amendment) Rules, 2017. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Information other than the Financial Statements and Auditors' Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the

financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(1) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(2) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(3) The Balance Sheet, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(4) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act except for AS on retirement benefits for provision for Gratuity and Leave encashment.



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(5) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

(6) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(7) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(a) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note to Accounts to the standalone Ind AS financial statements;

(b) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

(e) The company has not declared any interim during the year.

(8) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.



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(9) Proviso to rule 3(1) of the companies(Accounts)Rule , 2014 for maintaining books of accounts using accounting software which has a feature of audit trail(edit log) facility is applicable to company with effect from 1st April 2023 and accordingly reporting under rule 11(g) of the companies (Audit and Auditors)Rule 2014 is not applicable for the financial year ended march 2023.

For V. K. Sehgal & Associates
Chartered Accountants
Firm's Registration No.011519N

Sd/-
CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 23096530BGYQQU2933

Place: New Delhi
Date- 19/05/2023



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

Report as required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (Refer to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2023, we report the following:

(i) (a) (A) The Company has proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(b) In our opinion Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year. The same have been properly dealt with in the books of account.

(c) The title deeds of immovable properties are held in the name of the Company.

(d) The company has not revalued its Property, Plant and Equipment during the year. Therefore, the provisions of Clause (i) (d) of paragraph 3 of the order are not applicable to the company.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i) (e) of paragraph 3 of the order are not applicable to the company.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate.

(b) During the year, the company has not been sanctioned any working capital limits, from banks or financial institutions.

(iii) During the year, the company not has made any investments in mutual funds and has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(iv) According to the information and explanations given to us and on the basis of our examination of records the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public. Therefore, the provisions of Clause (v) of paragraph 3 of the order are not applicable to the Company.



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(vi) As explained to us, the Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Therefore, the provisions of Clause (vi) of paragraph 3 of the order are not applicable to the Company.

(vii) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, duty of Excise, Value Added Tax, GST, Cess and other statutory dues with the appropriate authorities to the extent applicable to it. There are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, value added tax, duty of customs, duty of excise or cess which have remained outstanding as at March 31, 2023 for a period of more than 6 months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred in sub- clause (a) which have not been deposited on account of any dispute except for the amounts mentioned as mentioned hereunder:

According to the records of the Company, the dues outstanding of income-tax, Service tax, and others which are under dispute are as follows:

S. NO	Name of the Statute	Nature of Dues	Period	Amount in Rs.	Forum where dispute is pending
1	Income tax Act, 1961	Income tax & Interest	AY 2018-2019	15,89,01,645.00	Commissioner of Income Tax (Appeals),
2	Income tax Act, 1961	Income tax & Interest	AY 2018-2019	56,380.00	Commissioner of Income Tax (Appeals),

(viii) In our opinion and according to the information and explanations given to us, there are no transactions which are not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.

(b) In our opinion and according to the information and explanations given to us, the company has not been a declared wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the term loans has been utilised for the purpose for which it was initially sanctioned.

(d) In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have been utilised for long term purposes.



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(e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the provisions of Clause (x)(a) of paragraph 3 of the order are not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the company has not made preferential allotment or private placement of shares during the year.

(xi) (a) We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year.

(b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As auditor, we did not receive any whistle-blower complaint during the year.

(xii) The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.

(xiii) As per the information and explanations received to us all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act where applicable, and the details have been disclosed in the financial statements, etc., as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company.

(xiv) The company is covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is required to appoint an internal auditor. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are applicable to the Company.

(a) The company has an internal audit system commensurate with the size and nature of its business

(b) The reports of the Internal Auditors for the period under audit is considered by us.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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(b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.

(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) As per the information and explanations received, the group does not have any CIC as part of the group.

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been no resignation of the previous statutory auditors during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx) There is no liability of the company under the provisions of section 135 of the Companies Act, relating to Corporate Social Responsibility. Therefore, the provisions of Clause (xx) of paragraph 3 of the order are not applicable to the Company.

(xxi) The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For V. K. Sehgal & Associates
Chartered Accountants
Firm's Registration No.011519N

Sd/-
CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 23096530BGYQQU2933

Place: New Delhi
Date- 19/05/2023



MFL India Limited

(CIN: L63040DL1981PLC012730)

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ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 under the heading "Report on other legal and regulatory requirements" of our report to the Members of MFL India Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MFL India Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance note") and the Standards on Auditing as specified under section 143(10) the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.



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Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For V. K. Sehgal & Associates
Chartered Accountants
Firm's Registration No.011519N

Sd/-
CA Anuj Maheshwari
(Partner)
Membership No.: 096530
UDIN: 23096530BGYQQU2933

Place: New Delhi
Date- 19/05/2023



MFL India Limited

(CIN: L63040DL1981PLC012730)

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Balance Sheet

MFL INDIA LIMITED						
BALANCE SHEET AS AT MARCH 31, 2023						
Prepared in compliance with the Indian Accounting Standards (Ind-AS)						
(Figures in '000')						
S. No.	Particulars	Note No.	Figures as at 31st March, 2023		Figures as at 31st March, 2022	
			(Audited)		(Audited)	
I.	ASSETS					
1	Non-current assets					
	(a) Property, Plant and Equipment	1	80694		7.00	
	(b) Capital work-in-progress				-	
	(c) Investment Property				-	
	(d) Goodwill		-		-	
#	(e) Other Intangible assets				-	
	(f) Intangible assets Under Development		-		-	
	(g) Biological Assets other than bearer Plants		-		-	
	(h) Financial Assets					
	(i) Investments					
	(ii) Trade receivables					
	(iii) Loans				-	
	(iv) Other financial assets	2	1720		760	
	(i) Deferred tax assets (net)				-	
	(j) Other Non current Assets		-		-	
				82414		767
2	Current assets					
	(a) Inventories	3	3943			
	(b) Financial Assets					
	(i) Investments					
	(ii) Trade receivables	4	30515			
	(iii) Cash and cash equivalents	5	3508		253	
	(iv) Bank balances other than (iii) above		-			
	(v) Loans & Advances	6	41434			
	(vi) Others Financial Assets	7	21			
	(c) Current Tax Assets (Net)					
	(d) Other current assets	8	21091		4516	
				100512		4768
	Total Assets			182926		5535



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

II.	EQUITY AND LIABILITIES					
3	Equity					
	(a) Equity Share capital	9	360292		360292	
	(b) Other Equity	10	(355241)	5151	(355282)	5010
4	Non-current liabilities					
	(a) Financial Liabilities					
	(i) Borrowings	11	150000			
	(ii) Trade payables				-	
	(iii) Security Deposits				-	
	(b) Provisions				-	
	(c) Deferred Tax Liabilities				-	
	(d) Other Noncurrent Liabilities		-	150000	-	
5	Current liabilities					
	(a) Financial Liabilities					
	(i) Borrowings					
	(ii) Trade payables	12	26918			492
	(iii) Other payables	13				
	(b) Other current liabilities	14				
	(c) Provisions		-		-	
	(d) Current Tax Liabilities (Net)		958		-	33
	Total Equity and Liabilities			27876		
				182926		5535

For V.K. Sehgal & Associates
Chartered Accountants
(Firm's Reg. No. 011519N)

For and on behalf of Board of Directors
MFL India Limited

Sd/-
Anuj Maheshwari
Partner
Membership No. 096530

Sd/-
Anil Thukral
Managing Director
DIN: 01168540

Sd/-
Syed Zameer Ulla
Director
DIN: 07486691

Date: 19/05/2023
Place: New Delhi
UDIN: 23096530BGYQQU2933



MFL India Limited

(CIN: L63040DL1981PLC012730)

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MFL INDIA LIMITED**STATEMENT OF PROFIT AND LOSS**

FOR THE PERIOD ENDED MARCH 31, 2023

Prepared in compliance with the Indian Accounting Standards (Ind-AS)

(Figures in
Rs. 000)

S. No.	Particulars	Note No.	Year Ended	
			March 31,2023	March 31,2022
			(Audited)	(Audited)
I.	INCOMES			
	Revenue From Operations	15	137482	25123
	Other Income	16	533	20395
	i) Total Income		138015	45519
II.	EXPENSES			
	Operating expenses	17	104622	4676
	Purchase of stock in trade	18	30557	13964
	Employee benefits expense	19	2309	1305
	Changes in Inventory of Finished Goods	20	-3943	5783
	Finance costs	21	7	2
	Depreciation and amortization expense	22	1276	0
	Other expenses	23	3147	1961
	ii) Total Expenses		137974	27691
III.	Profit/(loss) before exceptional items and tax (i-ii)		40	17828
IV.	Exceptional Items			
V.	Profit/(loss) before tax (III-IV)		40	17828
VI.	Tax expense:			
	iii) Current tax		-	-
	iv) Deferred tax		-	-
	v) Tax paid/adjustment made for earlier years		-	-
VII.	Profit/(loss) for the period (V-VI)		40	17828
VIII.	Other Comprehensive Income			
	A.(i) Items that will not be reclassified to P&L		-	-
	(ii) Income Tax Relating to items that will not be reclassified to Profit or Loss A/c		-	-
	B.(i) Items that will be reclassified to P&L		-	-
	(ii) Income Tax Relating to items that will be reclassified to Profit or Loss A/c		-	-
			-	-
IX.	Total Comprehensive Income for the period (VII+VIII)		40	17828
X.	Earnings per equity share (for continuing operation):			
	(1) Basic		0.00	0.00
	(2) Diluted		0.00	0.00



MFL India Limited

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MFL INDIA LIMITED			
NOTES TO ACCOUNTS TO THE BALANCE SHEET AS AT 31ST MARCH,2023			
			(Figures in Rs.)
		March 31,2023	March 31,2022
2	Security Deposits		
	Security deposits from parties	1720	760
	Total	1720	760
3	Inventories		
	Stock in hand	3943	-
	Total	3943	-
4	Trade receivables		
	Sundry Debtors	30515	-
	Less: -Provision for Doubtful debts	-	-
	Total	-	-
		30515	-
5	Cash and cash equivalents		
	Cash in hand	348	41
	Balance in bank accounts	3160	211
	Total	3508	252
5A	Bank balances other than included in cash and cash equivalent		
	Fixed deposits	-	-
	Total	-	-
6	Loans and Advances		
	Loan to Related Party	40962	-
	Other Loans	472	-
	Total	41434	-
7.	Other Financial Assets		
	Advance to Vender	21	-
	Total	21	-



MFL India Limited

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8	Other current assets		
	Prepaid expenses	365	-
	TDS receivable	6531	4478
	Others	1	-
	GST Receivable	14193	38
	Total	21090	4516
11	Borrowings		
	Term Loans	-	-
	Unsecured loan from Director	150000	-
	Total	-	-
12	Trade payables		
	Sundry creditors	25734	-
	Total	25734	-
13	Other Financial Liability		
	Audit fee Payable	306	386
	Salary Payable	271	29
	Advance from Customers	607	-
	Total	1184	415
14.	Other current liabilities		
	TDS Payable	956	33
	GST payable	-	-
	Staff advance	-	-
	Total	-	-
		956	33



MFL India Limited

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NOTES TO ACCOUNTS TO THE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2023

		(Figures in Rs. '000')	
		March 31,2023	March 31,2022
15	Revenue From Operations		
	Sale of Service	109711	25123
	Sale of Goods	27771	-
	Total	137482	25123
16	Other Income		
	Interest on Fixed Deposits	142	-
	Profit on sale of Land	-	1881
	Scrap Sale	-	-
	Provision for Doubtful debts reversed	-	18514
	TDS Recoverable on interest	-	-
	Bad Debts Recovered	366	-
	Insurance Claim	-	-
	Interest on Income tax Return	16	-
	W/off (OTS with Bank)	-	-
	Total	534	20395
17	Operating expenses		
	Freight charges	104404	-
	Diesel And Fuel Expenses	-	4676
	Fleet expenses	-	-
	Custom Charges	-	-
	Other operating expenses	-	-
	Earnest Money Forfeited	-	-
	Total	104622	4676
18	Purchase of stock in trade		
	Purchases of Goods	26937	13694
	Purchase of Consumables	3620	-
	Total	30557	13964
19	Employee benefits expense		
	Salary to staff	2309	1305
	Admin Charges	-	-



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	Staff welfare expenses	-	-
	PF & ESI	-	-
	Total	2309	1305
20	Changes in Inventory of Finished Goods		
	Opening Stock	-	5783
	Less:- Closing stock	3943	
	Total	-3943	5783
21	Finance costs		
	Bank Charges	1	1
	Interest on TDS	5	1
	Total	6	2
22	Depreciation and amortization expense		
	Depreciation on Fixed Assets	1276	-
	Total	1276	-
23	Other expenses		
	Vehicle Running & Maintenance	-	-
	Audit fees	280	250
	Telephone & Telex	-	
	Business Promotion	25	
	Advertisement Expense	36	39
	Conveyance Expenses	-	-
	Donation	-	-
	Electricity & Water Expenses	-	4
	General Expense	-	67
	Interest on TDS		
	Loading & Unloading Expenses	-	315
	Loss on Sale of Fixed Assets	-	-
	Rebate & Discount	-	-
	Office Repair & Maintenance	11	-
	Postage & Telegraph	-	-



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	Printing & stationary	345	10
	Professional & Legal Expenses	2079	974
	Rent Office	240	240
	Website / Software expenses	8	
	ISTP Charges	-	6
	Travelling	80	-
	Brokerage & Commission		
	Miss Expenses	6	-
	Filing Fees	38	-
	Rates & Taxes	-	-
	Bad Debts	-	-
	Total	3147	1961

For V.K. Sehgal & Associates
Chartered Accountants
(Firm's Reg. No. 011519N)

For and on behalf of Board of Directors
MFL India Limited

Sd/-
Anuj Maheshwari
Partner
Membership No. 096530

Sd/-
Anil Thukral
Managing Director
DIN: 01168540

Sd/-
Syed Zameer Ulla
Director
DIN: 07486691

Date: 19/05/2023
Place: New Delhi
UDIN: 23096530BGYQQU2933



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Note-1: Company overview

MFL India Ltd. is a company rendering logistics and supply chain services all over the country. The Indian logistics & supply chain sector is increasingly becoming attractive to foreign and domestic operators as well as strategic and financial investors. The company has the mission to extend its operations to every nook and corner of the country in the years to come as the logistics & supply chain sector is also growing with the growing India.

The Company is a public limited company incorporated on 28/11/1981 in India and has its registered at 94/4, UG-F, UG-9 VILLAGE PATPARGANJ, DELHI East Delhi DL 110091 IN. The Company has its listing on BSE Limited.

Note-2: Statement of compliance:

The standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's accounting policies are included in Note 3.

Note-3: SIGNIFICANT POLICIES

a) Basis of preparation of financial statements

- i. In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its Financial Statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Accounting Standards) Amendment Rules, 2016. Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended 31st March, 2023, and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Financial Statements").
- ii. The financial statements have been prepared under historical cost convention basis except for certain assets and liabilities measured at fair value at the end of each period.
- iii. The financial statements are presented in Indian Rupees ('INR') except otherwise indicated.

b) Use of estimates and judgments

- i) The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.



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- ii) The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c) Property, plant and equipment

- i) The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to Statement of Profit and Loss in the period in which the costs are incurred.
- ii) An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

d) Other Intangible assets

- i) Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Intangible assets with indefinite useful lives are carried at cost less accumulated impairment losses.
- ii) Certain computer software costs are capitalized and recognized as intangible assets based on materiality, accounting prudence and significant benefits expected to flow there from for a period longer than one year.

e) Depreciation / Amortization

- a. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method.
- b. Amortization is recognized on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.
- c. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.



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- d. Depreciation on tangible assets is provided as per the provisions of Part B of Schedule II of the Companies Act, 2013 based on useful life and residual value notified for accounting purposes by Electricity Regulatory Authorities.
- e. Lease improvement costs are amortized over the period of the lease. Leasehold land acquired by the Company, with an option in the lease deed, entitling the Company to purchase on outright basis after a certain period at no additional cost is not amortized.

Estimated useful life of the assets are as follows:

Class of Property, plant and equipment	Useful life
Plant and equipment	08 years
Furniture and fixtures	10 years
Vehicles	08 years
Office equipment	5 years

- f. Useful life is either the period of time which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of asset. The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on prospective basis.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Inventories:

Cost of inventories includes cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories of stores, spare parts, coal, fuel and loose tools are stated at the lower of weighted average cost and net realizable value. Net realizable value represents the



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estimated selling price for inventories in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

Revenue recognition:

i. Sale of Services

Revenue is recognized to the extent that it is probable that economic benefit will flow to the Company and that the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated rebates and other similar allowances.

Revenue from sale of logistics and other related services is recognized when substantial risks and rewards of ownership is transferred to the buyer under the terms of the contract.

ii. Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

i) Employee benefits

The Company has following post-employment plans:

a. Defined contribution plans - provident fund

- I. Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund set up as trust and certain state plans like Employees' State Insurance. The Company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that the payment covers.
- II. A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

Taxation

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.



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a) Current tax

Current tax is the amount of tax payable based on the taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except when it is probable that the temporary differences will not reverse in the foreseeable future.

Earnings per share

a. Basic earnings per share is computed by dividing the profit/ (loss) for the year by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

b. Diluted earnings per share is computed by dividing the profit/ (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

Provisions, contingencies and commitments:

a. The Company has ongoing disputes with income tax authorities relating to deduction of expenses of certain items. The Company is in receipt of notice of demand dated 21/04/2021 under section 156 of the income tax Act, 1961 for AY 2018-2019 for a sum of Rs 13,95,97,580. The Company has already filed an appeal to the Commissioner of Income Tax (Appeals), against the said order contesting the adverse decisions by the assessing officer. Taking into consideration the facts and circumstances of the case and the past experience of the management, it is of the opinion that the decision of the appellate authorities will be in the favor of the company and hence they have not recognized the said liabilities in the books of account of the company .

Future cash outflows in respect of the above would be determinable on finalization of judgments /decisions pending with various forum /authorities.

b. Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be



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required to settle the obligation, and a reliable estimate can be made of the amount of the obligation

- c. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).
- d. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably
- e. A disclosure for contingent liabilities is made where there is-
 - i. a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
 - ii. a present obligation that arises from past events but is not recognized because:
 - iii. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - iv. The amount of the obligation cannot be measured with sufficient reliability.
- f. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.
- g. Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.
- h. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting period.
- i. Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

Financial instruments

Financial assets and financial liabilities are recognized when Company becomes a party to the contractual provisions of the instruments

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and finance fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of



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financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit and Loss.

a. Financial assets

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

b. Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) The contractual cash flow characteristics of the financial asset.

c. Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- a) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount -outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as fair value through profit or loss on initial recognition):

- a) the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- b) The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognized in Statement of Profit and Loss for FVTOCI debt instruments. For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in Statement of Profit and Loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to Statement of Profit and Loss.

All other financial assets are subsequently measured at fair value.

d. Effective interest method



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The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in Statement of Profit and Loss and is included in the "Other income" line item.

e. Financial liabilities

All Financial liabilities are measured at amortized cost using effective interest method or fair value through profit and loss. However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

f. Financial liabilities subsequently measured at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

g. Derecognition of financial liabilities

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

h. Provision for liabilities and charges, Contingent liabilities and contingent assets

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with the applicable Ind AS.



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Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statement of profit and loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

i. **Cash Flow Statement**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Note-24: ADDITIONAL NOTES TO ACCOUNTS

1. In the opinion of management, Current Assets, Loans and advances have a value on realization in the ordinary course of business at least equal to that stated in the Balance Sheet.
2. Capital and other commitments: The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2023 is NIL (Previous Year:-NIL).
3. Payment to Directors

Particulars	Current year	Previous Year
Remunerations	66,000.00	6,28,000.00

4. Payment to Auditor

Particulars	Current year	Previous Year
For Audit fee	2,00,000	2,00,000
For Tax Audit fee	50,000	50,000
For other Taxation matter	NIL	NIL
Service Tax/GST	NIL	NIL
Total	2,50,000	2,50,000



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5. Expenditure in foreign currency

Particulars	Current year	Previous Year
For Travelling/others	NIL	NIL

6. Debit and credit balances of suppliers, customers and other are subject to confirmation and reconciliation.

7. The earning per share, basic as well as diluted is Rs. (0.00) per share.

8. Employee Benefits Disclosures required under Accounting Standard 15.

The provision of the Gratuity Act is not applicable to the company. The company does not have any employee more than five-year-old.

9. The balances of debtors & creditors are subject to confirmation.

10. Related Party disclosure:

(I) Key Managerial Personnel;

Name of KMP	Designation
Anil Thukral	Managing Director
Syed Zameer Ulla	Director
Pratiksha Anant Patil	Director
Nawab Khan	Director
Khemraj	CFO

(II) The list of the concern where related parties are interested:

(a) Shri Krishan Aggregates Private Limited

(b) Artha Logistics Private limited



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Nature of Transactions with Related parties: -

	Shri Krishan Aggregates Private Limited	FY 2022-2023	FY 2021-2022
1.	Purchase of goods	2,69,36,878	NIL
2.	Trade Payable	2,56,523	14,178.82

	Artha Logistics Private limited	FY 2022-2023	FY 2021-2022
1.	Sale of goods	NIL	2,63,20,061.40
2.	Handling Expense	1,66,70,163	NIL
3.	Freight Charges Payable	8,77,33,972	NIL
4.	Trade Payable	2,38,89,892	NIL

	Anil Thukral (Loan)	FY 2022-2023	FY 2021-2022
1.	Amount Received during the year	15,20,00,000.00	
2.	Amount Paid During the year	20,00,000.00	
3.	Amount Outstanding	15,00,00,000.00	

	Shri Krishan Aggregates Private Limited (Advance Given)	FY 2022-2023	FY 2021-2022
1.	Amount Received during the year	NIL	
2.	Amount Paid During the year	4,09,61,500.00	
3.	Amount Outstanding	4,09,61,500.00	

11. Financial Ratios

Particulars	FY 2022-23	FY 2021-22	Variation	Reasons
Current Ratio	3.60	9.10	(60.44%)	Current liabilities increased more as compared to current assets in comparison to previous year
Debt-Equity Ratio	29.70	N.A	N.A	Company received loan from Director in current year.



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Debt Service Coverage Ratio	Nil	Nil	Nil	
Return on Equity Ratio	.80	-456.71	-100.18	Due to increase in shareholder's equity
Inventory Turnover Ratio	69.70	8.70	701.15%	Due to increase in sales & efficiency in current year
Trade Receivable Turnover Ratio	9.00	1.17	650.00%	Due to increase in sales & efficiency in current year
Trade Payable Turnover Ratio	8.10	4.70	72.34%	Due to early pay off the creditors.
Net Capital Turnover Ratio	1.90	5.90	(67.80%)	Current liabilities increased more as compared to current assets in comparison to previous year
Net Profit Ratio	0.03%	70.96%	(99.96%)	Due to less profit earned in Current year in comparison to last year
Return on Capital employed	0.03%	355.82%	(99.99%)	Due to less profit earned in Current year in comparison to last year
Return on Investment	N.A	N.A	N.A	

12. Previous Year's figures have been regrouped, reclassified and rearranged in pursuant of Schedule III wherever necessary to correspond with the figures of the current year.

For V.K. Sehgal & Associates
Chartered Accountants
(Firm's Reg. No. 011519N)

For and on behalf of Board of Directors
MFL India Limited

Sd/-
Anuj Maheshwari
Partner
Membership No. 096530

Sd/-
Anil Thukral
Managing Director
DIN: 01168540

Sd/-
Syed Zameer Ulla
Director
DIN: 07486691

Date: 19/05/2023
Place: New Delhi
UDIN: 23096530BGYQQU2933



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MFL INDIA LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023		
(Figures in Thousand)		
PARTICULARS	(Amount in Rs.) 31.03.2023	(Amount in Rs.) 31.03.2022
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Exceptional Items	40	17828
Adjustment for:		
Depreciation & Amortation	1276	0
Interest Expenses	7	1
Profit On sale of Land	0	-1881
Operating Profit before working capital changes	1323	15947
Adjustment for change in Current Assets and Current Liabilities:		
Current Assets:		
Decrease/(increase) in Inventory	-3943	5783
Decrease/(increase) in Trade receivables	-30515	42822
Decrease/(increase) in Other current assets	-58030	2170
Current Liabilities:		
(Decrease)/Increase in Trade Payables	25657	-1849
(Decrease)/Increase in Other Current Liabilities	1692	-5039
Cash generated/(used) in Operating activities	-63816	59834
Direct Taxes Paid	0	0
Net Cash generated/(used) in Operating Activities	-63816	59834
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed Assets	0	20500
(Purchase) of Fixed Assets	-81962	0
Security Deposits	-960	240
Net Cash Generated in Investing Activities	-82922	20740
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from/ (repayment of) Long term borrowings	150000	-83000
Proceeds from/ (repayment of) short term borrowings	0	0
Interest Paid	-7	-1
Net Cash (generated)/used in Financing Activities	149993	-83001
Net Increase /(Decrease) in cash & cash equivalents	3255	-2426
Cash equivalents as on the beginning of the year	253	2679
Cash equivalents as on the end of the year	3508	253
<p>For and on behalf of Board of Directors For MFL India Limited</p> <p style="text-align: right;">For V K Sehgal & Associates (Chartered Accountants) Firm's R. No. 011519N</p> <p>Anil Thukral Syed Zameer Ulla Anuj Maheshwari Managing Director Director Partner DIN 01168540 DIN 07486691 M.No. 096530</p> <p>Date:- 19/05/2023 Place:- Delhi UDIN No- 23096530BGYQQU2933</p>		



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ATTENDANCE SLIP

40th Annual General Meeting

I/We hereby record my presence at the Annual General Meeting of the Company held through VC/ OAVM mode on Friday, 25th August, 2023 at 03.00 P.M. and annual report FY2022-23.

Name of Shareholder/Proxy (IN BLOCK LETTERS)

Signature of Shareholder/Proxy

Folio No.-----

Client ID#-----

D.P I.D-----

No. of Shares:-----

(Applicable for Shareholders holding shares in dematerialized form)



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PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s) :

Registered Address :

E-mail Id :

Folio No/ Client Id/ DP ID :

I/We, being the member (s) of shares of the MFL India Limited, hereby appoint:

1. _____ (Name) of _____ (Address) having e-mail id _____ or failing him

2. _____ (Name) of _____ (Address) having e-mail id _____ or failing him

3. _____ (Name) of _____ (Address) having e-mail id _____

and whose signature(s) are appended below, as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual Ordinary General Meeting of the Company, to be Friday the 25th August, 2023, at 03:00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

No.	Resolutions	For	Against
1.	Adoption of Audited Financial Statements of the Company for the Financial Year ended 31 st March 2023 including Balance Sheet, Statement of Profit & Loss, Cash flow statement and the Reports of Auditors and Directors thereon.		
2.	To appoint Mr. Syed Zameer Ulla (DIN: 07486691) who retires by rotation in terms of Section 152 (6) of Companies Act, 2013 and being eligible, offers himself for re-appointment		
3.	To Re-appoint M/s. V.K. Sehgal & Associates, Chartered Account as Statutory Auditor of the Company		
4.	Appointment of Ms. Sapna Jain as a Director and as an Independent Director		
5.	Appointment of Mr. Vikas Paliwak (DIN: 06654299) as a Director and as an Independent Director		
6.	Material Related Party Transaction(s) of the Company with Shri Krishan Aggregates Private Limited		
7.	Material Related Party Transaction(s) of the Company with Artha Logistics Private limited		
8.	Remuneration to Executive Directors i.e. Mr. Anil Thukral		

Signed this..... day of..... 2023 _____

Signature of shareholder



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Signature of 1st proxy holder

Signature of 2nd proxy holder

Signature of 3rd proxy holder

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



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BALLOT FORM

Registered Folio No	DP ID No	Client ID No	No. of Shares held

Name and Address of the Sole/
First named Shareholder
Joint Holder's Name (if any)

I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed through Postal Ballot for the businesses stated in the Notice of the Company dated 3rd August, 2023 by sending my/our assent or dissent to the said resolutions by placing a tick mark (√) in the appropriate box below:

Item No	Description	No. of Shares Held	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Adoption of Audited Financial Statements of the Company for the Financial Year ended 31 st March 2023 including Balance Sheet, Statement of Profit & Loss, Cash flow statement and the Reports of Auditors and Directors thereon.			
2.	To appoint Mr. Syed Zameer Ulla (DIN: 07486691) who retires by rotation in terms of Section 152 (6) of Companies Act, 2013 and being eligible, offers himself for re-appointment			
3.	To Re-appoint M/s. V.K. Sehgal & Associates, Chartered Account as Statutory Auditor of the Company			
4.	Appointment of Ms. Sapna Jain as a Director and as an Independent Director			
5	Appointment of Mr. Vikas Paliwak (DIN: 06654299) as a Director and as an Independent Director			
6	Material Related Party Transaction(s) of the Company with Shri Krishan Aggregates Private Limited			
7	Material Related Party Transaction(s) of the Company with Artha Logistics Private limited			
8	Remuneration to Executive Directors i.e. Mr. Anil Thukral			

Place:
Date:

Signature:

**MFL India Limited**

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Website: www.mflindia.info

Dated : 14.09.2023

To,

Ms. Tanmayi Lele**Assistant Manager****Listing Operations****BSE Mumbai, Maharashtra****SUB.: REGULATION 37 - SCHEME OF REDUCTION OF CAPITAL - MFL INDIA LTD (URGENT)**

Dear Madam/Sir(s),

We refer to your Email dated 22nd August, 2023 informing us to undergo the process of filing the documents all over again to seek the approval of BSE and that of the Regulator SEBI for the application made for the proposed reduction in Capital of the Company.

We are writing to you today with deep concern and disappointment over the challenges faced by MFL India Limited (hereinafter referred to as "**the Company**") and its management subsequent to the returning of our original application by the Securities and Exchange Board of India (SEBI) as indicated by you in the above referred letter.

The Company is beset with challenges stemming from the denial of the permission as sought in our original application, the consequences of which have cast a shadow over our financial and operational condition. The implications of returning the original application has driven our company into a deeper financial difficulty, with imminent closure which looms large on the horizon. The approval of the said application is not merely a matter of convenience but a pivotal element in the sustenance of the business and future survival of the Company and the well being of all its stake holders.

Our multiple approaches to you did not bear the desired results and left with no option, we had to knock on the doors of the Regulator SEBI, seeking their indulgence in reconsidering the matter. Pursuant to this thought process we set up a meeting with Mr. Rajesh Kumar Dangeti, Chief General Manager (CGM) SEBI on 6th September 2023, at the SEBI office. We shared our problems with him and of the difficulties our shareholders numbering to over 1.8 lakhs will be facing if the approval is not granted to our application concerning Regulation 37 - Scheme of Reduction of Capital pf- MFL

A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "MFL INDIA LTD" around the top edge and "DELHI" in the center, with a small star at the bottom.



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India Ltd. The team in SEBI heard us out fully and was generous enough to reconsider our request subject to fulfilling certain conditions, which was within the realm of possibility. Mr. Rajesh Dangeti and his team were kind enough to provided their valuable time, advice, and guidance to us during our recent meeting. His advices and guidance during these trying times for the Company are highly appreciated, and we are truly grateful and thankful to him for his advice to overcome the difficulties being faced by the company.

As per directions given by Mr. Dangeti, we are writing to submit the following documents to BSE for its perusal and consideration and consequent approval. We are also marking a copy of these documents to the office of Mr. Dangeti to be made aware of the status of processing from our side. Kindly note as per the directions given to us we had to reconvene the meeting of the Independent Directors, the Audit Committee, which were held on the 5th of September, as well as that of the Board of Directors, which was held on the 11th September. The entire process was completed by the 11th of September.

1. **Report of the Committee of Independent Directors:** This report recommends the draft scheme of reduction of share capital between the Company and its shareholders.
2. **Report of the Audit Committee:** This report recommends the draft scheme of reduction of share capital between the Company and its shareholders.
3. **Resolution of the Committee of Independent Directors:** A copy of the resolution passed in the meeting of the Committee of Independent Directors of MFL India Limited held on 5th September 2023.
4. **Resolution of the Audit Committee:** A copy of the resolution passed in the meeting of the Audit Committee of MFL India Limited held on 5th September 2023.
5. **Resolution of the Board of Directors:** A copy of the resolution passed in the meeting of the Board of Directors of MFL India Limited held on 11th September 2023.
6. **Undertaking from the Company:** This document attests to the Company's commitment to submit the same scheme of the Reduction of Share Capital to the Hon'ble National Company Law Tribunal (NCLT) as approved by BSE and SEBI.
7. **Draft Scheme of Reduction of Capital:** This document outlines the proposed scheme of reduction of capital between MFL India Limited and its shareholders.
8. **Auditors Certificate:** As per Para 5 of the SEBI Circular.

A handwritten signature in black ink is written over a circular stamp. The stamp contains the text 'MFL INDIA LTD' around the top edge and 'DELHI' in the center, with a small star at the bottom.



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9. **Valuation Certificate Issued by the Registered Valuer:** We emphasize that while the submission of a Valuation Report is not mandated by SEBI regulations, the Company is including it as per the advice and directions issued by the said official of BSE/SEBI.
10. **Fairness Opinion Issued by the Merchant Banker on the draft scheme of the Reduction of Share Capital:** We reiterate that the Company is voluntarily submitting this document, although it is not explicitly required by SEBI regulations, in accordance with the guidance received from the said BSE/SEBI official.

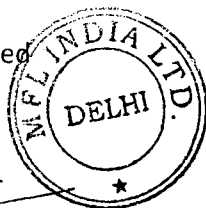
In light of the foregoing, we respectfully beseech BSE to approve application for the reduction of capital, taking into account the documents herein submitted for your consideration as suggested by Mr. Rajesh Kumar Dangeti, Chief General Manager (CGM). We believe that this approach would serve to streamline the process, while ensuring the completeness and thoroughness of the record at your end.

Hence, in view of the above, we respectfully request your kind approval for the scheme of the Reduction of Capital. We assert that this scheme is fully compliant with Section 66 of the Companies Act, 2013.

We appreciate your prompt attention to this matter and remain at your disposal for any further information or clarification that may be required.

Thanks and Regards,

For MFL India Limited



Anil Thukral

Managing Director

DIN: 01168540

C.C.

Rajesh Kumar Dangeti, Chief General Manager (CFD),

SEBI Bhavan, Plot No. C4-A, 'G' Block Bandra-Kurla Complex,

Bandra (East), Mumbai - 400051, Maharashtra



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REPORT OF THE COMMITTEE OF INDEPENDENT DIRECTORS OF MFL INDIA LIMITED (“COMPANY”) RECOMMENDING THE DRAFT SCHEME OF REDUCTION OF SHARE CAPITAL BETWEEN THE COMPANY AND ITS SHAREHOLDERS.

To

The Board of Directors

MFL India Limited

94/4, UG-F, UG-9, Village Patparganj,

Delhi 110091

1. BACKGROUND:

The meeting of the Independent Directors of the Company was held on 5th September, 2023 to consider and recommend the draft scheme of Reduction of Capital (“scheme”) between the company and its shareholders, under the provisions of Section 52 and section 66 of the Companies Act, 2013, (Including any statutory modification(s) or re-enactment thereof for the time being in force and the rules made there under (the “Act”), Regulation 37 of SEBI (LODR) Regulation, 2015 and specifically the Hon’ble National Company Law Tribunal (Procedure for Reduction of share Capital of Company) Rules, 2016 (“Reduction Rules”), which permits the Company to Undertake a reduction of its share Capital.

This report of the committee of Independent Director is made to comply with the requirements of the SEBI Master Circular No. SEBI/ HO/CFD/DIL/CIR/P/2020/249 dated December 22, 2020, issued under the securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

The following documents were placed before the Committee of independent Directors:

(a) Draft Scheme of Reduction of Capital; and

(b) Valuation Report for Fair Value of Financial Assets as on 31.03.2023 Certified by **Mr. Vaibhav Jain** a Registered valuer & Insolvency Professional **IBBI Reg. No. IBBI/RV/05/2021/14249**.

(c) Fairness Opinion Report dated 05.09.2023 issued by Jawa Capital services Private Limited (Formerly known as Intellicity Capital Advisers Private Limited) Registered Merchant Banker (“Fairness Opinion”)

(d) Auditor’s Certificate dated 05.09.2023, issued by the Statutory Auditor, Pursuant to para 5 of part I A of SEBI Master Circular No. SEBI/HO/CFD/ DIL 1/CIR/P/2020/249 dated December 22, 2020, confirming that the accounting treatment in the company is in compliance.

(e) Undertaking duly certified by the Auditor dated 05.09.2023 regarding non applicability of sub para 10 (a) and (b) of part I A of SEBI Master Circular No. SEBI/HO/CFD/ DIL 1/CIR/P/2020/249 dated December 22, 2020;

(f) other Annexure for the draft Scheme of Reduction of Capital.



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2. SALIENT FEATURES OF THE DRAFT SCHEME:

i. As per the provisions of section 52 and section 66 of Companies Act 2013 read with National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 and other applicable provisions if any, Upon the Scheme coming into effect from the Appointed Date, by the Effective Date and after securing necessary approvals and permissions, the accumulated losses of Rs. 35,52,41,200/- (Rupees Thirty-Five Crores Fifty-Two Lakhs Forty One Thousand Two Hundred only).

a. set of to the extent of the share capital cancelled i.e.,90% of Rs .36,02,92,000/-(Thirty-six Crore Two Lakhs Ninety-Two Thousand Only) which will amount to Rs. 32,42,62,800/- (Rupees Thirty-Two Crores forty-two lakhs sixty-two thousand eight hundred only). with effect from the appointed date.

ii. The Scheme seeks to reduce or otherwise alter the issued, subscribed and paid up share capital of the Company and the same will therefore remain reduced as a result of the Scheme, on the Effective Date and after securing necessary approvals and permissions the Company shall reduce its fully paid-up equity share capital from 36,02,92,000 (Thirty six Crore Two Lakhs Ninety Two Thousand Only) divided into 36,02,92,000 (Thirty six Crore Two Lakhs Ninety Two Thousand Only) Equity shares of Rs.1/- (Rupee one)each fully paid-up be reduced from Rs.3,60,29,200/ -(Three Crore Sixty Lakh Twenty-Nine Thousand Two Hundred Only) divided into 3,60,29,200/ -(Three Crore Sixty Lakh Twenty-Nine Thousand Two Hundred Only) Equity Shares of Rs. 1/- (Rupee one) each fully paid up by cancellation of said equity shares so cancelled and extinguished an amount of Rs.32,42,62,800/-(Rupees Thirty-Two Crores forty-two lakhs sixty-two thousand eight hundred only).

iii. The capital so reduced will be utilized to write off the accumulated losses of the Company.

iv. The Committee of Independent Directors reviewed the Fairness Opinion and noted the recommendations made therein. Further, the Fairness Opinion confirmed that the Scheme is fair to the shareholders of the Company.

v. Further, the Committee of independent Directors reviewed the Accounting Treatment Certificate and noted that that the accounting treatment in the Scheme is in line with Generally Accepted Accounting Principles.

vi. Further this Scheme will help to achieve a rational structure which is commensurate with its remaining business and assets.

3. PROPOSED SCHEME:

The independent Director's Committee reviewed and considered the proposed scheme on the following grounds:



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1. Need and Rationale for the reduction of share capital

(a) The proposed reduction of the equity share capital of Company is being undertaken in accordance with the provisions of Section 66 read with Section 52 of the Act and the rules made thereunder and specifically the Rules, which permit a company to undertake a reduction of its share capital in any manner, read with the Listing Regulations (as defined hereinafter) and the SEBI Circular as defined hereinafter).

(b) In view of the accumulated carry forward losses that the Company's Balance Sheet is not reflecting at its actual value and with the future prospect of growth and value addition to the shareholders, the Company has proposed to clean its books thereby enabling the Company to raise future resources considering the expansion program that has been considered for development would need huge amount of investment both in terms of equity as well as debt.

(c) Continuous Losses have substantially wiped off the value represented by the Share Capital thus the financial statements do not reflect the correct picture of the health of the Company. This has given rise to the need to re-adjust the relation between capital and assets and to reflect the liabilities and assets of the Company accurately and fairly in its books of accounts. The Company has evaluated the effect of this upon the Company's functioning and has carefully examined different options available to the Company. After detailed deliberations, the Board of Directors of the Company is of the view that reduction of capital in accordance with section 66 of the Companies Act, 2013 read with National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016, is the only practical and economically efficient legal option available to the Company. To reflect its assets and liabilities at their real value and maximize its business value, the Company proposes to reduce the equity share capital of the company in accordance with Section 66 of the Companies Act, 2013 read with National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016.

(d) The Scheme of Reduction of Share Capital is presented with a view to achieve Restructuring of the Company which would result in reducing of the accumulated losses of the Company and improvement in financial health as more business activities shall be brought into the Company thereby preventing it from becoming a sick Company.

(e) Upon the Scheme coming into effect from the appointed date:

By the effective date and after securing necessary approvals and permissions, accumulated losses of Rs. 32,42,62,800/- (Rupees Thirty-Two Crore Forty-Two Lakhs Sixty-Two Thousand Eight Hundred only) will be set off to the extent of the share capital cancelled i.e., 90 % of Rs. 36,02,92,000 (Thirty Six Crore Two lakh Ninety Two Thousand Only) which will amount to Rs. 32,42,62,800 (Rupees Thirty-Two crore Forty-Two Lakhs Sixty-Two Thousand Eight Hundred only) with effect from the appointed date.



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(f) With the aim of attracting a globally reputed player such as the Investor in the Company to meet its business objectives of the Company in the long run, the Company has agreed, subject to compliance with applicable laws, receipt of necessary regulatory approvals and allotment of the Subscription Shares to the Investor, to selectively reduce 32,42,62,800 (Thirty Two Crore Forty Two Lakhs Sixty Two Thousand Eight Hundred) equity shares of face value INR 1 (Indian Rupees One) per equity shares held by promoter and Public Share folder, without payment of any consideration. ("Capital Reduction").

(g) The Board of Directors of the Company in its meeting held on September 4, 2021, has already approved the scheme of reduction of share capital of the Company. The Managing Director of the Company has detailed deliberation with Mr. Rajesh Kumar Dangeti, CGM, SEBI on 4th September, 2023 at their office after receiving the e-mail from the office of SEBI/ BSE and as per deliberation he has advised for submission of the documents with reference to the financial ending on 31.03.2023. Accordingly, this committee is re-considering the scheme of the reduction of share capital in light of the financial statement of the company ending on 31.03.2023.

(h) The proposed reduction of equity share capital of the Company would not have any adverse effect on the creditors and employees of the Company or the Company's ability to fulfil its commitments or meet its obligations in the ordinary course of business as there is no pay out resulting from the proposed capital reduction.

(i) The reduction of capital in the manner proposed would be beneficial to all the shareholders of the Company as the same shall ensure that the total equity share capital of the Company remains unchanged even after the preferential allotment to the Investor.

2. Impact of the Scheme on the shareholders

i. Upon confirmation of Reduction of Capital by NCLT and the approval of the aforesaid authorities becoming effective and operative, 32,42,62,800 (Thirty-Two Crore Forty-Two Lakhs Sixty-Two Thousand Eight Hundred) equity shares of Rs 1(Rupee One) each of the Company held by all its members shall stand cancelled, extinguished, and rendered invalid.

ii. There is no detrimental impact on the shareholders and this reduction shall further allow the creation of distributable reserves for dividend which are held up due to accumulated losses.

3. Cost Benefit analysis of the Scheme

i. The financial restructuring will help the Company to reflect the true shareholder value which would place the Company in a position to pay dividend or raise capital in future at lower interest cost.

ii. The Scheme of Capital Reduction does not involve any direct cost to the company as there is no payment/ pay-out involved to any of the shareholder or other stakeholders apart from paying fractional entitlements.

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4. Recommendation of the Independent Directors

Taking into consideration the proposed Scheme, Fairness Opinion made, Accounting Treatment Certificate, needs, rationale and impact of the Scheme and cost benefits analysis, the Independent Directors confirms that the proposed Scheme is not detrimental to the shareholders of the Company and is in the best interest of the Company and its shareholders, creditors, and all stakeholders. Thus, the Independent Directors hereby recommends the proposed Scheme to the Board of Directors of the Company for its consideration and approval.

By and Order of the Independent Directors Committee of MFL India Limited

Independent Director
Vikas Paliwal
06654299

Independent Director
Sapna Jain
09298942

Date: Delhi
Place: 05.09.2023



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REPORT OF THE AUDIT COMMITTEE OF MFL INDIA LIMITED ("COMPANY") RECOMMENDING THE DRAFT SCHEME OF REDUCTION OF SHARE CAPITAL BETWEEN THE COMPANY AND ITS SHAREHOLDERS

To
The Board of Directors
MFL India Limited
94/4, UG-F, UG-9, Village Patparganj,
Delhi 110091

1. BACKGROUND:

The meeting of the Audit Committee of the Company was held on 5th September 2023 to consider and recommend the draft scheme of Reduction of Capital ("scheme") between the company and its shareholders, under the provisions of Section 52 and section 66 of the Companies Act, 2013 (Including any statutory modification(s) or re-enactment thereof for the time being in force and the rules made there under (the "Act"), Regulation 37 of SEBI (LODR) Regulation, 2015 and specifically the Hon'ble National Company Law Tribunal (Procedure for Reduction of share Capital of Company) Rules, 2016 ("Reduction Rules"), which permits the Company to Undertake a reduction of its share Capital.

This report of the Audit committee is made comply with the requirements of the SEBI Master Circular No. SEBI/ HO/CFD/DIL/CIR/P/2020/249 dated December 22,2020, issued under the securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

The following documents were placed before the Audit Committee:

- (a) Draft Scheme of Reduction of Capital; and
- (b) Valuation Report for Fair Value of Financial Assets as on 31.03.2023 Certified Mr. Vaibhav Jain a Registered valuer & Insolvency Professional IBBI Reg. No. IBBI/RV/05/2021/14249.
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(e) Undertaking duly certified by the Auditor dated 05.09.2023, regarding non applicability of sub para 10 (a) and (b) of part I A of SEBI Master Circular No. SEBI/HO/CFD/ DIL 1/CIR/P/2020/249 dated December 22,2020;

(f) other Annexure for the draft Scheme of Reduction of Capital.

2. SALIENT FEATURES OF THE DRAFT SCHEME:

i. As per the provisions of section 52 and section 66 of Companies Act 2013 read with National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 and other applicable provisions if any, Upon the Scheme coming into effect from the Appointed Date, by the Effective Date and after securing necessary approvals and permissions, the accumulated losses of Rs. 35,52,41,200/- (Rupees Thirty-Five Crores Fifty-Two Lakhs Forty One Thousand Two Hundred only).

a. set of to the extent of the share capital cancelled i.e.,90% of Rs .36,02,92,000/-(Thirty-six Crore Two Lakhs Ninety-Two Thousand Only) which will amount to Rs. 32,42,62,800/- (Rupees Thirty-Two Crores forty-two lakhs sixty-two thousand eight hundred only). with effect from the appointed date.

ii. The Scheme seeks to reduce or otherwise alter the issued, subscribed and paid up share capital of the Company and the same will therefore remain reduced as a result of the Scheme, on the Effective Date and after securing necessary approvals and permissions the Company shall reduce its fully paid-up equity share capital from 36,02,92,000 (Thirty six Crore Two Lakhs Ninety Two Thousand Only) divided into 36,02,92,000 (Thirty six Crore Two Lakhs Ninety Two Thousand Only) Equity shares of Rs.1/- (Rupee one)each fully paid-up be reduced from Rs.3,60,29,200/ -(Three Crore Sixty Lakh Twenty-Nine Thousand Two Hundred Only) divided into 3,60,29,200/ -(Three Crore Sixty Lakh Twenty-Nine Thousand Two Hundred Only) Equity Shares of Rs. 1/- (Rupee one) each fully paid up by cancellation of said equity shares so cancelled and extinguished an amount of Rs.32,42,62,800/-(Rupees Thirty-Two Crores forty-two lakhs sixty-two thousand eight hundred only).

iii. The capital so reduced will be utilized to write off the accumulated losses of the Company.

iv. The Committee of Independent Directors reviewed the Fairness Opinion and noted the recommendations made therein. Further, the Fairness Opinion confirmed that the Scheme is fair to the shareholders of the Company.

v. Further, the Committee of independent Directors reviewed the Accounting Treatment Certificate and noted that that the accounting treatment in the Scheme is in line with Generally Accepted Accounting Principles.

vi. Further this Scheme will help to achieve a rational structure which is commensurate with its remaining business and assets.

3. PROPOSED SCHEME:



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The independent Director's Committee reviewed and considered the proposed scheme on the following grounds:

1. Need and Rationale for the reduction of share capital

- (a) The proposed reduction of the equity share capital of Company is being undertaken in accordance with the provisions of Section 66 read with Section 52 of the Act and the rules made thereunder and specifically the Rules, which permit a company to undertake a reduction of its share capital in any manner, read with the Listing Regulations (as defined hereinafter) and the SEBI Circular as defined hereinafter).
- (b) In view of the accumulated carry forward losses that the Company's Balance Sheet is not reflecting at its actual value and with the future prospect of growth and value addition to the shareholders, the Company has proposed to clean its books thereby enabling the Company to raise future resources considering the expansion program that has been considered for development would need huge amount of investment both in terms of equity as well as debt.
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- (d) The Scheme of Reduction of Share Capital is presented with a view to achieve Restructuring of the Company which would result in reducing of the accumulated losses of the Company and improvement in financial health as more business activities shall be brought into the Company thereby preventing it from becoming a sick Company.
- (e) Upon the Scheme coming into effect from the appointed date:
- By the effective date and after securing necessary approvals and permissions, accumulated losses of Rs. 32,42,62,800/- (Rupees Thirty-Two Crore Forty-Two Lakhs Sixty-Two Thousand Eight Hundred only) will be set off to the extent of the share capital cancelled i.e., 90 % of Rs. 36,02,92,000 (Thirty Six Crore Two lakh Ninety Two Thousand Only) which will amount to Rs. 32,42,62,800 (Rupees Thirty-Two crore Forty-Two Lakhs Sixty-Two Thousand Eight Hundred only) with effect from the appointed date.



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(f) With the aim of attracting a globally reputed player such as the Investor in the Company to meet its business objectives of the Company in the long run, the Company has agreed, subject to compliance with applicable laws, receipt of necessary regulatory approvals and allotment of the Subscription Shares to the Investor, to selectively reduce 32,42,62,800 (Thirty Two Crore Forty Two Lakhs Sixty Two Thousand Eight Hundred) equity shares of face value INR 1 (Indian Rupees One) per equity shares held by promoter and Public Share folder, without payment of any consideration. ("Capital Reduction").

(g) The Board of Directors of the Company in its meeting held on September 4, 2021, has already approved the scheme of reduction of share capital of the Company. The Managing Director of the Company has detailed deliberation with Mr. Rajesh Kumar Dangeti, CGM, SEBI on 4th September, 2023 at their office after receiving the e-mail from the office of SEBI/ BSE and as per deliberation he has advised for submission of the documents with reference to the financial ending on 31.03.2023. Accordingly, this committee is re-considering the scheme of the reduction of share capital in light of the financial statement of the company ending on 31.03.2023..

(h) The proposed reduction of equity share capital of the Company would not have any adverse effect on the creditors and employees of the Company or the Company's ability to fulfil its commitments or meet its obligations in the ordinary course of business as there is no pay out resulting from the proposed capital reduction.

(i) The reduction of capital in the manner proposed would be beneficial to all the shareholders of the Company as the same shall ensure that the total equity share capital of the Company remains unchanged even after the preferential allotment to the Investor.

2. Impact of the Scheme on the shareholders

i. Upon confirmation of Reduction of Capital by NCLT and the approval of the aforesaid authorities becoming effective and operative, 32,42,62,800 (Thirty-Two Crore Forty-Two Lakhs Sixty-Two Thousand Eight Hundred) equity shares of Rs 1(Rupee One) each of the Company held by all its members shall stand cancelled, extinguished, and rendered invalid.

ii. There is no detrimental impact on the shareholders and this reduction shall further allow the creation of distributable reserves for dividend which are held up due to accumulated losses.

3. Cost Benefit analysis of the Scheme

i. The financial restructuring will help the Company to reflect the true shareholder value which would place the Company in a position to pay dividend or raise capital in future at lower interest cost.

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4. Recommendation of the Audit Committee

Taking into consideration the proposed Scheme, Fairness Opinion made, Accounting Treatment Certificate, needs, rationale and impact of the Scheme and cost benefits analysis, the Independent Directors confirms that the proposed Scheme is not detrimental to the shareholders of the Company and is in the best interest of the Company and its shareholders, creditors, and all stakeholders. Thus, the Independent Directors hereby recommends the proposed Scheme to the Board of Directors of the Company for its consideration and approval.

By and Order of the Audit Committee

Independent Director
Vikas Paliwal
06654299

Independent Director
Sapna Jain
09298942

Managing Director
Anil Thukral
01168540

Date: Delhi
Place: 05.09.2023



MFL India Limited

CIN: L63040DL1981PLC012730

Contact No +91-11-32076767

E-Mail: helpdesk@mflindia.in

mfldelhi81@gmail.com

Website: www.mflindia.info

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE COMMITTEE OF THE INDEPENDENT DIRECTOR OF MFL INDIA LIMITED HELD ON TUESDAY THE 5th DAY OF SEPTEMBER 2023 AT THE REGISTERED OFFICE OF THE COMPANY.

RECOMMENDATION OF INDEPENDENT DIRECTOR COMMITTEE ON THE SCHEME OF REDUCTION OF CAPITAL

The Chairman apprised the members of the committee in the light of recent development after receiving the e mail from the BSE/SEBI and thereafter meeting with the SEBI official. The meeting of the Independent Director has been convened for re-considering the draft scheme of the reduction of share capital with respect to the financial of the company for the year ended on 31.03.2023 and make the recommendation there on. The silent feature of the scheme is as under:

- i. As per the provisions of section 52 and section 66 of Companies Act 2013 read with National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 and other applicable provisions if any, Upon the Scheme coming into effect from the Appointed Date, by the Effective Date and after securing necessary approvals and permissions, the accumulated losses of Rs. 35,52,41,200/- (Rupees Thirty-Five Crores Fifty Two Lakhs Forty One Thousand Two Hundred only). a. set of to the extent of the share capital cancelled i.e., 90% of Rs 36,02,92,000 (Thirty-six Crore Two Lakhs Ninety-Two Thousand Only) which will amount to Rs. Rs.32,42,62,800/- (Rupees Thirty-Two Crores forty-two lakhs sixty-two thousand eight hundred only) with effect from the appointed date.
- ii. The Scheme seeks to reduce or otherwise alter the issued, subscribed and paid up share capital of the Company and the same will therefore remain reduced as a result of the Scheme, on the Effective Date and after securing necessary approvals and permissions the Company shall reduce its fully paid-up equity share capital from 36,02,92,000 (Thirty six Crore Two Lakhs Ninety Two Thousand Only) divided into 36,02,92,000 (Thirty six Crore Two Lakhs Ninety Two Thousand Only) Equity shares of Re.1/- (Rupee one)each fully paid-up be reduced from Rs.3,60,29,200/- (Three Crore Sixty Lakh Twenty-Nine Thousand Two Hundred Only) divided into 3,60,29,200/- (Three Crore Sixty Lakh Twenty-Nine Thousand Two Hundred Only) Equity Shares of Re. 1/- (Rupees one) each fully paid up by cancellation of said equity shares so cancelled and extinguished an amount of Rs. 32,42,62,800/-(Rupees Thirty-Two Crores forty-two lakhs sixty-two thousand eight hundred only).


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mfldelhi81@gmail.com

 Website: www.mflindia.info

- iii. The capital so reduced will be utilized to write off the accumulated losses of the Company.

After deliberation on the draft scheme and the recommendation to be made to the Board of directors of the company, the following resolution was passed:

“RESOLVED THAT Pursuant to Section 52 and section 66 of the Companies Act 2013, (Including any statutory modification(s) or re-enactment thereof for the time being in force and the rules made there under (the “Act”) and as per Regulation 37 of SEBI (LODR) Regulation, 2015 the recommendation as placed before the committee on the draft scheme of reduction of share capital has been approved and the same be forwarded to the board of director for their consideration.”

“Resolved further that the Accounting Treatment as envisaged in the scheme is in line with Generally Accepted Accounting Principles and the same is recommended for the consideration of the Board of Directors”.

By and Order of the Independent Directors Committee of MFL India Limited

Independent Director
Vikas Paliwal
06654299

Independent Director
Sapna Jain
09298942

Date: Delhi
Place: 05.09.2023



MFL India Limited
 CIN: L63040DL1981PLC012730
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 E-Mail: [helpdesk@mflindia.in/](mailto:helpdesk@mflindia.in)
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 Website: www.mflindia.info

CERTIFIED TRUE COPY OF THE RESOLUTION PASSESD IN THE MEETING OF THE AUDIT COMMITTEE OF MFL INDIA LIMITED HELD ON TUESDAY THE 5th DAY OF SEPTEMBER 2023 AT THE REGISTERED OFFICE OF THE COMPANY.

RECOMMENDATION OF AUDIT COMMITTEE ON THE SCHEME OF REDUCTION OF CAPITAL

The Chairman apprised the members of the committee in the light of recent development after receiving the e mail from the BSE/SEBI and thereafter meeting with the SEBI official. The meeting of the Independent Director has been convened for re-considering the draft scheme of the reduction of share capital with respect to the financial of the company for the year ended on 31.03.2023 and make the recommendation there on. The silent feature of the scheme is as under:

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After deliberation on the draft scheme and the recommendation to be made to the Board of directors of the company, the following resolution was passed:

“**RESOLVED THAT** Pursuant to Section 52 and section 66 of the Companies Act 2013, (Including any statutory modification(s) or re-enactment thereof for the time being in force and the rules made there under (the “Act”) and as per Regulation 37 of SEBI (LODR) Regulation, 2015 the recommendation as placed before the audit committee on the draft scheme of reduction of share capital has been approved and the same be forwarded to the board of director for their consideration.”

“Resolved further that the Accounting Treatment as envisaged in the scheme is in line with Generally Accepted Accounting Principles and the same is recommended for the consideration of the Board of Directors”.

By and Order of the Audit Committee

Independent Director
Vikas Paliwal
06654299

Independent Director
Sapna Jain
09298942

Managing Director
Anil Thukral
01168540

Date: Delhi
Place: 05.09.2023



MFL India Limited

(CIN: L63040DL1981PLC012730)

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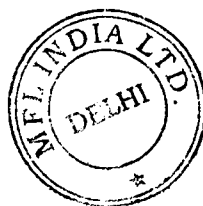
CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE MEETING OF THE BOARD OF DIRECTORS OF MFL INDIA LIMITED HELD ON MONDAY, THE 11th DAY OF SEPTEMBER 2023 AT 12:10 PM AT THE REGISTERED OFFICE OF THE COMPANY.

The Chairman inform that the board that the company has already passed board resolution for reduction of share capital in the board meeting held on 4th September, 2021 and the same was approved in general meeting held on 30th September, 2021. However as per the direction given by the stock exchange / SEBI the company has again re-discussed the matter in the board meeting held on 11th September, 2023 and the following resolution:

“RESOLVED THAT pursuant to Section 52, Sections 66, and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (“the Rules”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Article 61 of the Articles of Association of the Company and subject to approval of shareholders and subject to confirmation by the Hon'ble National Company Law Tribunal, New Delhi Bench (“NCLT”), approvals as may be required from the appropriate authorities and the consent of the creditors as may be required, the approval of the members be and is hereby accorded to the Scheme of reduction of capital (“the Scheme”) of the Company by way of reduction of paid-up share capital of the Company from Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each, consequently total issued, subscribed and paid up share capital of the company shall be reduced to Rs. 3,60,29,200 and such cumulative reduction would be effected by writing off the Accumulated Losses of Rs 32,42,62,800/- on the Effective Date of the draft Scheme of Reduction of capital (“Scheme”).”

“RESOLVED FURTHER THAT the Scheme providing reduction of share capital of the Company is submitted to the BSE Limited, designated stock exchange for observations and / or Securities and Exchange Board of India, be and is hereby approved.”

“RESOLVED FURTHER THAT effective from the date of the confirmation of the Scheme by NCLT, New Delhi and all other approvals from any other appropriate authorities as may be required, the consent and approval of the members be and is hereby accorded to the reduction of the paid-up share capital as it stands on the date of such confirmation is Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each.





MFL India Limited

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“**RESOLVED FURTHER THAT** subject to confirmation of the Scheme by NCLT, New Delhi Bench, and all other approvals from any other appropriate authorities, the Company be and is hereby not required to add the words “And reduced” to its name subsequent to such reduction of capital of the Company.”

“**RESOLVED FURTHER THAT** the scheme of reduction of share capital recommended by the Audit Committee has been approved along with Audit Committee report.”

“**RESOLVED FURTHER THAT** the scheme of reduction of share capital recommended by the Independent Committee has been approved along with Independent Committee report.”

“**RESOLVED FURTHER THAT** the fairness opinion as required for reduction of share capital has been taken from Intellicity Capital Advisors Private Limited as on 31st March, 2023 and valuation report from Mr. Vaibhav Jain also taken.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company (“the Board”), the Chief Financial Officer and the Company Secretary be and is hereby authorized to take all necessary steps and do all such acts, deeds, matters and things, as they may, in including issuing any directions for settling any question or doubt or difficulty whatsoever that may arise, for the purpose of giving effect to the reduction of capital, or to any modification thereof without being required to seek any further consent or approval of the members or otherwise.”

“**RESOLVED FURTHER THAT** Mr. Anil Thukral, Managing Director and Mr. Khemraj, Chief Financial Officer be and are hereby authorized severally to take all necessary steps for effecting the said Scheme of reduction of capital of the Company, including but not limited to:

a. Finalizing, amending and settling the draft scheme, application / petition, and assent to such alterations, conditions and modifications, if any, or effect any other modification or amendment as the Board of Directors of the Company may consider necessary or desirable to give effect to the proposed reduction of share capital;

b. Filing any affidavit, petition, pleading, application, form or reports before NCLT or any other statutory or regulatory authority including the concerned stock exchanges, SEBI, the Registrar of Companies, the Regional Director or such other authority as may be required in connection with the proposed reduction of capital or its sanction thereof and to do all such acts and deeds as they may deem necessary in connection therewith and incidental thereto;

c. Making such alterations and changes in the scheme, application to be made to NCLT, as the conditions / requirement imposed by NCLT, SEBI and/or any other statutory /regulatory authorities, as may be required, provided that prior approval of the Board shall be obtained for making any material changes in the said application.



MFL India Limited

(CIN: L63040DL1981PLC012730)

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d. Signing all applications, petitions, affidavits, undertakings, documents, letters relating to the proposed reduction of capital and represent the Company before the NCLT and any other authorities in relation to any matter relating to the proposed reduction of capital or delegate such authority to any other person through a valid power of attorney;

e. To verify, sign, deal, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, undertake, record all deeds, declarations, instruments, vakalatnamas, applications, petitions, affidavits, objections, notices and writings whatsoever as may be usual, necessary, proper or expedient and all manner of documents, petitions, affidavits and applications under the applicable laws including Companies Act, 2013, and Rules made thereunder and other applicable laws/regulations in relation to the aforesaid matter and to represent the Company in all correspondences, matters and proceedings and any nature whatsoever in relation to the above;

f. To authenticate any document, instrument, proceeding and record of the Company

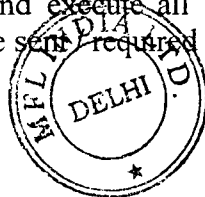
g. Obtaining the requisite approval and/or consents of the shareholders, secured lenders of the Company, bank, financial institutions and other regulatory authorities or entities or agencies as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps as may be required from time to time in that behalf.

h. To engage any counsel, consultant firms, advocates, attorneys, pleaders, solicitors, valuers, auditors, accountants, registrars or any other one or more agencies, as may be required in relation to or in connection with the proposed reduction of share capital, on such terms and conditions as they may deem fit, finalize fees, terms and conditions of their appointment letter(s), furnish such information as may be required by them and also to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings and other related documents in favour of the concerned authorities, advocates or any one or more persons or firms as they may deem fit and to do all such acts, deeds and things as they may deem fit and as may be necessary in this regard.

i. Incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them.

j. Make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in this resolution.

k. Consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent required to be sent to concerned authorities on behalf of the Company





MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-3, Village Patparganj, Delhi 110091

Website: www.mflindia.info

l. To file requisite forms with the Registrar of Companies in connection with the proposed reduction of share capital during and after the process of sanction thereof

m. Sign, execute and deliver such documents as may be necessary and do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect for the purpose of the above resolutions or to otherwise give effect to the transactions contemplated as aforesaid

n. To do all such acts and things and deal with all such matters and take all steps as may be necessary including any modification, if required, and do all such other acts, matters deeds and things necessary, proper or desirable in connection with or incidental to giving effect to the purposes of this Resolution.

o. To give such directions as they may think fit and proper, including directions for settling any questions or difficulties that may arise and to do all acts, deeds and tasks, as may be deemed necessary, expedient or proper to give effect to the proposed reduction of capital and for matters connected there with or incidental thereto.

“RESOLVED FURTHER THAT the Board be and is hereby authorized, in its absolute discretion, to bring into effect this resolution on such other terms and conditions as it may consider appropriate and to accept such other conditions and modifications as may be prescribed by the NCLT and other appropriate authorities while according their confirmation or consent to this resolution or to suspend, withdraw or revive the proposal for reduction of capital from time to time as may be specified by any statutory authority or as the Board may suo-moto decide.”



Date: 11.09.2023

Place: Delhi

By order of Board of Directors
MFL India Limited

Anil Thukral
Managing Director

DIN: 01168540



TO WHOMSOEVER IT MAY CONCERN

This is to certify that MFL India Limited having its Registered Office 94/4, UG-F, UG-9 VILLAGE PATPARGANJ, DELHI -110091 having losses in the FY 2017-18 and 2018-19 are as below

Name of the Company: MFL India Limited

Financial Year	Amount(Losses)	Accumulated Profit and Loss
2017-18	-487,347,126.00	(477,621,536.00)
2018-19	-251,060,865.00	(728,682,401.00)
2019-20	324,573,786.00	(404,108,615.00)
2020-21	30,999,299.00	(373,109,316.00)
2021-22	17,827,690.00	(355,281,626.00)
2022-23	40,426.00	(355,241,200.00)

*The Company has accumulated losses of Rs. 72,86,82,401 /- in the year of 31st March, 2019 and profit showing of Rs 32,24,73,786/- above is due to write off (OTS with Bank)

Further the loss can be attributed to the following reasons.

1. The Bankers of the company has termed the Credit facilities of the company as a Non Performing Asset (NPA) and has recalled its facilities.
2. They have taken symbolic possession of the assets of the company mortgaged with them and have communicated their stand to the debtors of the company.
3. The business of the company has been discontinued/disrupted because of the above said affects. As a result there is no turnover of the company in the last quarter of FY 2018-19.
4. During the current year the major moveable assets of the company which generated revenue were repossessed by the financiers.
5. The company has generated cash losses during the financial year, the net worth of the company has been fully eroded, and current liabilities are substantially higher than current assets.

For APJ and Company
Chartered Accountants

Prashant Jain
Proprietor
M NO: - 523312
Place: Gurgaon
Dated: 26-10-2023
UDIN: 23523312BGWQFD3455





To,
The Board of Directors,
MFL INDIA LIMITED
94/4, UG-F, UG-9 VILLAGE PATPARGANJ,
DELHI 110091

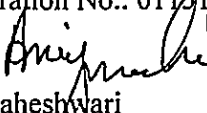
We, the statutory auditors of MFL INDIA LIMITED ("the Company"), have examined the proposed accounting treatment specified in clause 1.15 of the Draft Scheme of Reduction of share capital between MFL INDIA LIMITED in terms of the provisions of section 52, section 66 and other applicable provisions of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 2013 and Other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme complies with the applicable Accounting Standards and Other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under, and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013 and/or the accounting treatment in respect of (Specify the financial statement item(s)) as prescribed by SEBI vide its Notification (Details of the Notification) which prevail over the accounting treatment for the same as prescribed under the aforesaid Accounting Standards (wherever applicable), except the following:

This Certificate is issued at the request of the MFL INDIA LIMITED pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Limited. This Certificate should not be used for any other purpose without our prior written consent.

For V K Sehgal and Associates
Chartered Accountants
Firm Registration No.: 011519AN

Signature 
CA Anuj Maheshwari
Partner



Membership Number: 096530
Place: Delhi
Date: 08/07/2022
UDIN: 22096530AMLWTD 5927



TO WHOMSOEVER IT MAY CONCERN

On the basis of information provided and documents produced before us by the management of the Company i.e., MFL India Limited having registered office at 94/4, UG-F, UG-9 Village Patparganj, Delhi-110091, we do hereby certificate that:

1. The Company has passed the Board Resolution for the reduction of share capital in the board meeting held on 4th September 2021 and passed the shareholders resolution in the AGM held on 30.09.2021.
2. As per resolution passed in both meetings, it has been decided to reduce the paid capital of the company by 90% of its face value.
3. As per regulation 37 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and section 52, Sections 66 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder, if any, and the Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665, dated 23.11.2021 in point No 4. Valuation Report sub point (b) states that

“Valuation Report is not required in cases where there is no change in the shareholding pattern of the listed entity/resulting company.”

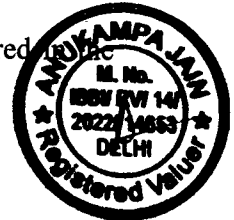
Hence in view of the above there is no requirement for the valuation certificate if the reduction of share capital proposed by the company will not result in change in the shareholding pattern of the listed entity.

We, hereby certify that the valuation report for valuation of shares is not required in instant case of the reduction of share capital.

M/s Anukampa Jain &

FCA Anukampa Jain
Registered Valuer
IBBI/RV/14/2022/14653

Anukampa Jain
(Registered Valuer)
IBBI/RV/14/2022/14653



Date : 15th September 2022
Place : Delhi

CA VAIBHAV JAIN
Registered Valuer (SFA)

VALUATION REPORT
OF
FAIR MARKET VALUE OF EQUITY
SHARES
OF
MFL INDIA LIMITED
AS ON
31st Mar 2023

PREPARED BY: -

CA VAIBHAV JAIN

IBBI Registered Valuer- Securities and Financial Assets (SFA)

Registration Number: - IBBI/RV/05/2021/14249

CA Membership No 413624

Contact No- +91-8826600757; Mail Id- vaibhavjain@vostroadvisors.com

23G, R-Block, Dilshad Garden, Delhi-110095



CA VAIBHAV JAIN
Registered Valuer (SFA)

Disclaimer

I am enclosing the Report providing opinion on the value of fair market value of shares of the company on a going concern basis as at 31-03-2023 ("Valuation Date"). The attached Report details the valuation methodologies used, calculations performed and the conclusion reached with respect to this valuation.

The analysis must be considered as a whole. Selecting portions of any analysis or the factors that are considered in this report, without considering all factors and analysis together could create a misleading view of the process underlying the valuation conclusions. The preparation of a valuation is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis,

The information provided to me by the management of the company in relation to the company included but not limited to historical financial statements, forecasts/projections, other statements and assumptions about future matters like forward-looking financial information prepared by the company. The forecasts and projections as supplied to me are based upon assumptions about events and circumstances which are yet to occur.

By nature, valuation is based on estimates, the risks and uncertainties relating to the events occurring in the future, the actual figures in future may differ from these estimates and may have an impact on the valuation.

I have not tested individual assumptions or attempted to substantiate the veracity or Integrity of such assumptions in relation to the forward-looking financial information, however, I have made sufficient enquiry to satisfy myself that such information has been prepared on a reasonable basis.

Please note that all comments in the report must be read in conjunction with the caveats to the report, which are contained in this report. Valuer draws your attention to the limitation of liability clauses of this report.

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CA VAIBHAV JAIN
Registered Valuer (SFA)

COVERING LETTER

The Board of Directors
MFL INDIA LIMITED
 94/4, UG-F, UG-9 VILLAGE PATPARGANJ,
 East Delhi, Delhi 110091

05-09-2023

Sir/ Madam,

We understand that "MFL INDIA LIMITED" having its registered office at 94/4, UG-F, UG-9 VILLAGE PATPARGANJ, East Delhi, Delhi 110091. (Hereinafter referred to as "MFL INDIA LIMITED" or "the Company") is registered under the provisions of Companies Act, 2013.

The Company has appointed "Vaibhav Jain (Registered Valuer) (hereinafter referred as "Valuer"), having Registration No- IBBI/RV/05/2021/14249 for valuation of equity shares of the company as on 31-03-2023 ("Valuation Date") for the valuation of shares of the company under Companies Act, 2013.

This cover letter provides an overview of the purpose and scope of our analysis and our conclusions. Please refer to the attached report for a discussion and presentation of the analysis performed in connection with this engagement.

Purpose and Scope

Based on our discussions with the management, we understand that the Company requires valuation report of the shares of the Company. This report is intended to be used for valuation of equity shares of the Company for the Purpose of Reduction of Share capital under Companies Act, 2013.

The report has been prepared exclusively for specified purpose as stated above and should not be used for any other purpose, without obtaining the prior written consent from Mr Vaibhav Jain. This opinion should not be considered, in whole or in part, as investment advice by anyone.



CA VAIBHAV JAIN
Registered Valuer (SFA)

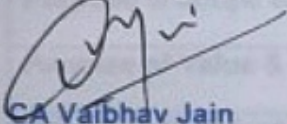
Summary of Findings

Based on our valuation analysis, in our assessment, the value of equity share of the company as on 31st March 2023 is **Rs 0.91/- per share**

For the purpose of arriving at the above said valuation, Market Approach method has been applied which was found as the most suitable approach considering the nature and use of the assets.

This report is prepare based on information provided and represented by the management of the Company. We have not independently verified the information provided to us and in that regard, the validity of the valuation depends on the completeness and accuracy of the information provided to us.

Thanks & Regard



CA Vaibhav Jain
Registered Valuer (SFA)
IBBI Registration No- IBBI/RV/05/2021/14249
CA Membership No- 413624
UDIN- 23413624BGXQZJ7515



CA VAIBHAV JAIN
Registered Valuer (SFA)

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CA VAIBHAV JAIN
Registered Valuer (SFA)

1) Background of the Company

MFL INDIA LIMITED is a Private Limited undertaking. It was incorporated on 28-Nov-1981. It is engaged in the business of Transportation-Logistics.

CORPORATE INFORMATION	
CIN	L63040DL1981PLC012730
ROC Code	RoC-Delhi
Registration Number	012730
Company Category	Company limited by Shares
Authorised Capital (Rs.)	370000000
Paid-up Capital (Rs.)	360292000
Company sub-Category	Non-Govt Company
Whether Listed or Not	Listed
Class of Company	Public
Registered Address	94/4, UG-F, UG-9 VILLAGE PATPARGANJ, DELHI East Delhi DL 110091 IN
Company Status (for e- Filing)	Active

2) DETAILS OF DIRECTORS AS PER MCA

DIN/PAN	Director's Name	Appointment Date
01168540	ANIL THUKRAL	05-04-2012
06654299	VIKAS PALIWAL	27-05-2023
07486691	SYED ZAMEER ULLA	04-03-2017
BJVPK1947F	KHEMRAJ	14-02-2017



CA VAIBHAV JAIN
Registered Valuer (SFA)

3) Share holding Pattern as on 31-03-2023

3.1) Equity Shareholding Pattern:-

Name of Shareholder	No of Shareholders	No. of shares held	% of holding
Anil Thukral (Promoter)	1	15,12,602	0.42%
Public	1,72,035	35,87,79,398	99.58%
Total	1,72,036	36,02,92,000	100.00%

- > The RV is committed to undertake financial valuation in terms of rules and regulations of Companies Act.
- > The RV is independent and has prepared the report on a fair and unbiased basis.
- > RV has valued the shares based on the valuation standards as specified applicable.

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CA VAIBHAV JAIN
Registered Valuer (SFA)

4) Purpose and Scope

Based on our discussions, we understand that the Management of "MFL India Limited" requires the valuation analysis of shares for the purpose of Reduction of Share capital of the company as on Mar 31, 2023. In this regard, the Management of the Company requires a valuation report capturing the valuation of shares carried by Registered Valuer (SFA) in accordance with the provisions of Companies Act, 2013.

5) Registered Valuer (RV) declares that: -

- The RV is competent to undertake financial valuation in terms of rules and regulations of Companies Act.
- The RV is independent and has prepared the report on a fair and unbiased basis.
- RV has valued the shares based on the valuation standards as specified / applicable.

6) Base of Value

Valuation Base means the indication of the type of value being used in an engagement. In the present case, RV has determined the fair value of the shares of the company. Fair Value Bases are defined as under.

Fair Value

Fair value is the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. Fair value or Market value is usually synonymous to each other except in certain circumstances where characteristics of an asset translate into a special asset value for the party(ies) involved.



CA VAIBHAV JAIN
Registered Valuer (SFA)

4) Purpose and Scope

Based on our discussions, we understand that the Management of "MFL India Limited" requires the valuation analysis of shares for the purpose of Reduction of Share capital of the company as on Mar 31, 2023. In this regard, the Management of the Company requires a valuation report capturing the valuation of shares carried by Registered Valuer (SFA) in accordance with the provisions of Companies Act, 2013.

5) Registered Valuer (RV) declares that: -

- The RV is competent to undertake financial valuation in terms of rules and regulations of Companies Act.
- The RV is independent and has prepared the report on a fair and unbiased basis.
- RV has valued the shares based on the valuation standards as specified / applicable.

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Valuation Base means the indication of the type of value being used in an engagement. In the present case, RV has determined the fair value of the shares of the company. Fair Value Bases are defined as under.

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CA VAIBHAV JAIN
Registered Valuer (SFA)

7) Premise of Value

Premise of Value refers to the conditions and circumstances how an asset is deployed. In the present case, RV has determined the fair value of equity shares of the company on a Going Concern Value defined as under:

Going Concern Value

Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, necessary licenses, systems, and procedures in place etc.

8) Valuation Date

Valuation date is the specific date at which the value of the assets to be valued gets estimated or measured. Valuation is time specific and can change with the passage of time due to changes in the condition of the asset to be valued. Accordingly, valuation of an asset as at a particular date can be different from other date(s).

The Valuation date considered for the Fair Value of Equity Shares of the company is 31st Mar 2023 ("Valuation Date"). The attached Report is drawn up by reference to accounting and financial Information as on the said valuation date. The RV is not aware of any other events having occurred since 31st Mar 2023 till date of this report which he deems to be significant for his valuation analysis.



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CA VAIBHAV JAIN
Registered Valuer (SFA)

9) VALUATION STANDARD, APPROACH AND METHODOLOGY

9.1. Valuation Standard

International Valuation Standard effective from 31st Jan 2022 has been adopted for the valuation of the shares of the Company.

9.2. Valuation Approaches

Valuation of a business is not an exact science and ultimately depends upon what it is worth to a serious investor or buyer who may be prepared to pay a substantial goodwill. This exercise may be carried out using various methodologies, the relative emphasis of each often varying with:

- Whether the entity is listed on a stock exchange
- Industry to which the company belongs
- Past track record of the business and the ease with which the growth rate in cash flows to perpetuity can be estimated
- Extent to which industry and comparable company information is available.

The results of this exercise could vary significantly depending upon the basis used, the specific circumstances and professional judgment of the valuer. In respect of going concerns, certain valuation techniques have evolved over time and are commonly in vogue. These approaches can be broadly categorized as follows:

1. Asset Approach
2. Income Approach
3. Market Approach

9.2.1. Asset Approach

This method determines the worth of a business by the assets it possesses. It involves examining every asset held by the company, both tangible and intangible. The value of intangibles is referred to as the company's goodwill, the difference in value between the company's hard assets and its true value.

The value arrived at under this approach is based on the financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The Net Asset Value (NAV) is generally used as the minimum break-up value for the transaction since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy it as a going concern. Pursuant to accounting convention, most assets are reported on the books of the subject company at their acquisition value, net of depreciation where applicable. These values must be adjusted to fair market value wherever possible. Further, the balance sheet values are to be adjusted for any contingent liabilities that are likely to materialize.



CA VAIBHAV JAIN
Registered Valuer (SFA)

Intrinsic value is at the core of fundamental analysis since it is used in an attempt to calculate the value of the total assets of the business and then compare it with the fair value.

9.2.2. Income Approach

The income approach requires determination of fair market value by dividing the benefit stream generated by the subject or target company by a discount or capitalization rate. The discount or capitalization rate converts the stream of benefits into present value. There are several different income approaches, including Capitalization of Earnings or cash flows, Discounted Future Cash Flows ("DCF"), and the Excess Earnings Method (which is a hybrid of asset and income approach of benefit stream to which it is applied). The result of a value calculation under the income approach is generally the fair market value of a controlling, marketable interest in the subject company, since the entire benefit stream of the subject company is most often valued, and the capitalization and discount rates are derived from statistics concerning public companies.

9.2.3. Market Approach

The value of a business is determined by comparing the company's accounting ratios with other companies of the same nature and size. This approach is used, where the value of a stock is estimated based upon its current price relative to variables considered to be significant to valuation, such as earnings, cash flow, book value, or sales of various business of the same nature. Business appraisal includes comparative transaction method and publicly traded company method. Through this, it derives a relationship between performance, revenues and selling price.

9.3. Valuation Methodology Used

The company is a listed entity and its shares are regularly traded in BSE, as such considering the nature and availability of data, **Market Approach** has been used to determine the fair value of the equity shares of the Company.

The Company has not provided the future financial projections (Cash flow). Hence, **Income Approach** is not applicable in this current valuation.

The Company has envisaged to be more prudent in its operation avoiding high risk bearing activities. Hence, **Net asset method** has not been used to determine fair value of the equity shares of the Company.



CA VAIBHAV JAIN
Registered Valuer (SFA)

ABOUT THE METHOD

Method of Valuation	The average of the weekly high and low of the Volume Weighted Average Price of the related equity shares quoted on the recognized stock exchange* during 26 weeks or 2 weeks preceding the relevant date WHICHEVER IS HIGHER.
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A) Highest Average of Daily High & Low
From Oct 31, 2022 to Mar 31, 2023

Sl. No.	From	To	High	Low	Average
1	31-10-2022	26-11-2022	1.00	0.95	0.975
2	27-11-2022	23-12-2022	1.00	0.95	0.975
3	24-12-2022	20-01-2023	1.00	0.95	0.975
4	21-01-2023	17-02-2023	1.00	0.95	0.975
5	18-02-2023	15-03-2023	1.00	0.95	0.975
6	16-03-2023	13-04-2023	1.00	0.95	0.975
7	14-04-2023	11-05-2023	1.00	0.95	0.975
8	12-05-2023	09-06-2023	1.00	0.95	0.975
9	10-06-2023	08-07-2023	1.00	0.95	0.975
10	09-07-2023	07-08-2023	1.00	0.95	0.975
11	08-08-2023	06-09-2023	1.00	0.95	0.975
12	07-09-2023	05-10-2023	1.00	0.95	0.975
13	06-10-2023	04-11-2023	1.00	0.95	0.975
14	05-11-2023	03-12-2023	1.00	0.95	0.975
15	04-12-2023	02-01-2024	1.00	0.95	0.975
16	03-01-2024	01-02-2024	1.00	0.95	0.975
17	02-02-2024	01-03-2024	1.00	0.95	0.975
18	01-03-2024	29-03-2024	1.00	0.95	0.975
19	28-03-2024	26-04-2024	1.00	0.95	0.975
20	25-04-2024	23-05-2024	1.00	0.95	0.975
21	22-05-2024	20-06-2024	1.00	0.95	0.975
22	19-06-2024	17-07-2024	1.00	0.95	0.975
23	16-07-2024	14-08-2024	1.00	0.95	0.975
24	13-08-2024	11-09-2024	1.00	0.95	0.975
25	10-09-2024	08-10-2024	1.00	0.95	0.975
26	07-10-2024	05-11-2024	1.00	0.95	0.975
27	04-11-2024	03-12-2024	1.00	0.95	0.975
28	02-12-2024	01-01-2025	1.00	0.95	0.975
29	01-01-2025	30-01-2025	1.00	0.95	0.975
30	29-01-2025	27-02-2025	1.00	0.95	0.975
31	26-02-2025	24-03-2025	1.00	0.95	0.975
32	23-03-2025	21-04-2025	1.00	0.95	0.975
33	20-04-2025	18-05-2025	1.00	0.95	0.975
34	17-05-2025	15-06-2025	1.00	0.95	0.975
35	14-06-2025	12-07-2025	1.00	0.95	0.975
36	11-07-2025	09-08-2025	1.00	0.95	0.975
37	08-08-2025	06-09-2025	1.00	0.95	0.975
38	05-09-2025	03-10-2025	1.00	0.95	0.975
39	02-10-2025	01-11-2025	1.00	0.95	0.975
40	01-11-2025	30-11-2025	1.00	0.95	0.975
41	29-11-2025	27-12-2025	1.00	0.95	0.975
42	26-12-2025	24-01-2026	1.00	0.95	0.975
43	23-01-2026	21-02-2026	1.00	0.95	0.975
44	20-02-2026	18-03-2026	1.00	0.95	0.975
45	17-03-2026	15-04-2026	1.00	0.95	0.975
46	14-04-2026	12-05-2026	1.00	0.95	0.975
47	11-05-2026	09-06-2026	1.00	0.95	0.975
48	08-06-2026	06-07-2026	1.00	0.95	0.975
49	05-07-2026	03-08-2026	1.00	0.95	0.975
50	02-08-2026	01-09-2026	1.00	0.95	0.975
51	01-09-2026	30-09-2026	1.00	0.95	0.975
52	29-09-2026	27-10-2026	1.00	0.95	0.975
53	26-10-2026	24-11-2026	1.00	0.95	0.975
54	23-11-2026	21-12-2026	1.00	0.95	0.975
55	20-12-2026	18-01-2027	1.00	0.95	0.975
56	17-01-2027	15-02-2027	1.00	0.95	0.975
57	14-02-2027	12-03-2027	1.00	0.95	0.975
58	11-03-2027	09-04-2027	1.00	0.95	0.975
59	08-04-2027	06-05-2027	1.00	0.95	0.975
60	05-05-2027	03-06-2027	1.00	0.95	0.975
61	02-06-2027	01-07-2027	1.00	0.95	0.975
62	01-07-2027	30-07-2027	1.00	0.95	0.975
63	29-07-2027	27-08-2027	1.00	0.95	0.975
64	26-08-2027	24-09-2027	1.00	0.95	0.975
65	23-09-2027	21-10-2027	1.00	0.95	0.975
66	20-10-2027	18-11-2027	1.00	0.95	0.975
67	17-11-2027	15-12-2027	1.00	0.95	0.975
68	14-12-2027	12-01-2028	1.00	0.95	0.975
69	11-01-2028	09-02-2028	1.00	0.95	0.975
70	08-02-2028	06-03-2028	1.00	0.95	0.975
71	05-03-2028	03-04-2028	1.00	0.95	0.975
72	02-04-2028	01-05-2028	1.00	0.95	0.975
73	01-05-2028	30-05-2028	1.00	0.95	0.975
74	29-05-2028	27-06-2028	1.00	0.95	0.975
75	26-06-2028	24-07-2028	1.00	0.95	0.975
76	23-07-2028	21-08-2028	1.00	0.95	0.975
77	20-08-2028	18-09-2028	1.00	0.95	0.975
78	17-09-2028	15-10-2028	1.00	0.95	0.975
79	14-10-2028	12-11-2028	1.00	0.95	0.975
80	11-11-2028	09-12-2028	1.00	0.95	0.975
81	08-12-2028	06-01-2029	1.00	0.95	0.975
82	05-01-2029	03-02-2029	1.00	0.95	0.975
83	02-02-2029	01-03-2029	1.00	0.95	0.975
84	01-03-2029	30-03-2029	1.00	0.95	0.975
85	29-03-2029	27-04-2029	1.00	0.95	0.975
86	26-04-2029	24-05-2029	1.00	0.95	0.975
87	23-05-2029	21-06-2029	1.00	0.95	0.975
88	20-06-2029	18-07-2029	1.00	0.95	0.975
89	17-07-2029	15-08-2029	1.00	0.95	0.975
90	14-08-2029	12-09-2029	1.00	0.95	0.975
91	11-09-2029	09-10-2029	1.00	0.95	0.975
92	08-10-2029	06-11-2029	1.00	0.95	0.975
93	05-11-2029	03-12-2029	1.00	0.95	0.975
94	02-12-2029	01-01-2030	1.00	0.95	0.975
95	01-01-2030	30-01-2030	1.00	0.95	0.975
96	29-01-2030	27-02-2030	1.00	0.95	0.975
97	26-02-2030	24-03-2030	1.00	0.95	0.975
98	23-03-2030	21-04-2030	1.00	0.95	0.975
99	20-04-2030	18-05-2030	1.00	0.95	0.975
100	17-05-2030	15-06-2030	1.00	0.95	0.975



CA VAIBHAV JAIN
Registered Valuer (SFA)

10) Valuation & Conclusion- In view of the above discussed base, premises, methodology, assumptions and circumstances', fair value of the equity share of the Company was valued Rs. 0.91/- as on 31-03-2023 as under:-

COMPUTATION OF WEIGHTED AVERAGE OF EQUITY SHARE OF MFL INDIA LIMITED LISTED WITH BSE

A) Weighted Average of Daily High & Low of Equity shares for the period from Oct 01,2022 to Mar 31,2023

Week	Date from	Date to	HIGH	LOW	No. of shares	Total turnover (Rs.)	Deliverable Quantity	Avg
1	01-10-2022	06-10-2022	1.11	1.06	42,73,892.00	46,34,509.00	26,79,718.00	1.085
2	08-10-2022	14-10-2022	1.10	1.01	52,55,160.00	55,54,660.00	39,79,330.00	1.055
3	15-10-2022	21-10-2022	1.05	0.97	71,41,415.00	72,34,078.00	57,45,543.00	1.01
4	22-10-2022	28-10-2022	1.08	1.01	30,69,799.00	31,74,517.00	24,28,729.00	1.045
5	29-10-2022	04-11-2022	1.03	1.00	46,92,505.00	47,42,938.00	37,20,551.00	1.015
6	05-11-2022	11-11-2022	1.10	1.00	73,61,107.00	76,26,190.00	56,67,409.00	1.05
7	12-11-2022	18-11-2022	1.06	1.00	52,78,788.00	53,65,414.00	30,84,095.00	1.03
8	19-11-2022	25-11-2022	1.02	0.97	69,34,501.00	68,30,251.00	51,58,953.00	0.995
9	26-11-2022	02-12-2022	1.04	0.97	68,58,937.00	67,79,764.00	50,34,323.00	1.005
10	03-12-2022	09-12-2022	1.14	0.99	1,35,80,355.00	1,41,50,459.00	1,02,91,518.00	1.065
11	10-12-2022	16-12-2022	1.05	1.00	68,97,534.00	70,25,611.00	48,85,062.00	1.025
12	17-12-2022	23-12-2022	1.02	0.81	1,05,50,389.00	99,24,758.00	75,71,603.00	0.915
13	24-12-2022	30-12-2022	1.02	0.85	70,34,171.00	68,50,063.00	53,11,156.00	0.935
14	31-12-2022	06-01-2023	1.01	0.95	50,73,795.00	49,15,513.00	37,24,696.00	0.98
15	07-01-2023	13-01-2023	0.97	0.92	44,94,200.00	42,05,337.00	33,00,153.00	0.945
16	14-01-2023	20-01-2023	0.95	0.90	45,25,612.00	41,74,072.00	32,56,142.00	0.925
17	21-01-2023	27-01-2023	0.93	0.85	46,61,516.00	41,48,320.00	30,81,168.00	0.89
18	28-01-2023	03-02-2023	0.92	0.78	69,60,801.00	58,51,742.00	47,62,427.00	0.85
19	04-02-2023	10-02-2023	0.87	0.75	77,14,355.00	61,37,623.00	46,59,598.00	0.81
20	11-02-2023	17-02-2023	0.88	0.78	51,25,581.00	41,74,079.00	32,43,278.00	0.83
21	18-02-2023	24-02-2023	0.82	0.74	62,71,193.00	48,52,874.00	37,64,609.00	0.78
22	25-02-2023	03-03-2023	0.80	0.74	45,87,840.00	35,36,824.00	26,85,046.00	0.77
23	04-03-2023	10-03-2023	0.78	0.72	55,69,439.00	41,91,846.00	37,42,321.00	0.75
24	11-03-2023	17-03-2023	0.76	0.54	54,35,853.00	37,44,801.00	40,70,729.00	0.65
25	18-03-2023	24-03-2023	0.74	0.60	65,01,062.00	44,12,020.00	41,96,804.00	0.67
26	25-03-2023	31-03-2023	0.70	0.58	46,03,176.00	29,11,889.00	33,50,078.00	0.64
Total								23.72
Average								0.91



CA VAIBHAV JAIN
Registered Valuer (SFA)

B) Weighted Average of weekly high & low of the Closing prices of the Equity Shares :

Week	Date from	Date to	Closing High	Closing low	No. of shares	Total turnover (Rs.)	Deliverable Quantity	Average
1	18-03-2023	24-03-2023	0.71	0.67	6501062	4412020	4196804	0.69
2	25-03-2023	31-03-2023	0.66	0.61	4603176	2911889	3350078	0.64
Total								1.33
Average								0.66

Conclusion		
A)	Average of 26 Weeks High & Low of the Closing Prices	0.91
B)	Average of 2 Weeks High & Low of the Closing Prices.	0.66
Applicable Minimum Price (Higher of the A & B)		0.91



CA VAIBHAV JAIN
Registered Valuer (SFA)

12. Caveats, Limitations and Disclaimers

i. Restriction on use of Valuation Report

This report has been prepared for the purposes stated herein and should not be relied upon for any other purpose. Our client is the only authorized user of this report and is restricted for the purpose indicated in the engagement letter. This restriction does not preclude the client from providing a copy of the report to third-party advisors whose review would be consistent with the intended use. I/we do not take any responsibility for the unauthorized use of this report.

ii. Responsibility of RV

I/We owe responsibility to only to the authority/client that has appointed me/us under the terms of the engagement letters. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions or advice given by any other person. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or wilful default on part of the client or companies, their directors, employees or agents.

iii. Accuracy of Information

While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standards of the clients existing business records. Accordingly, we express no audit opinion or any other form of assurance on this information.

iv. Achievability of the forecast results

We do not provide assurance on the achievability of the results forecast by the management/owners as events and circumstances do not occur as expected; differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected/forecast as the achievement of the forecast results is dependent on actions, plans and assumptions of management.

v. Post Valuation Date Events

The user to which this valuation is addressed should read the basis upon which the valuation has been done and be aware of the potential for later variations in value due to factors that are unforeseen at the valuation date. Due to possible changes in market forces and circumstances, this valuation report can only be regarded as relevant as at the valuation date.



CA VAIBHAV JAIN
Registered Valuer (SFA)

vi. No Responsibility to the Actual Price of the subject asset if sold or transferred/ exchanged

The actual market price achieved may be higher or lower than our estimate of value (or range of value) depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for example the purchaser's perception of potential synergies). The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which actual transaction will take place.

vii. Reliance on the representations of the owners/clients, their management and other third parties

The client/owner and its management/representatives warranted to us that the information they supplied was complete, accurate and true and correct to the best of their knowledge. We have relied upon the representations of the owners/clients, their management and other third parties concerning the financial data, operational data and maintenance schedule of all plant-machinery-equipment-tools-vehicles, real estate investments and any other investments in tangible assets except as specifically stated to the contrary in the report. We shall not be liable for any loss, damages, cost or expenses arising from fraudulent acts, misrepresentations, or wilful default on part of the companies, their directors, employee or agents.

viii. No procedure performed to corroborate information taken from reliable external sources

We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and /or reproduced in its proper form and context.

ix. Compliance with relevant laws

The report assumes that the company/business/asset complies fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that the companies/business/assets will be managed in a competent and responsible manner. Further, as specifically stated to the contrary, this report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/reflected in the balance sheet/fixed assets register provided to us.

x. Multiple factors affecting the Valuation Report:

The valuation report is tempered by the exercise of judicious discretion by the RV, taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competitive yield on comparable securities, market



CA VAIBHAV JAIN**Registered Valuer (SFA)**

sentiment, etc. which may not be apparent from the Balance Sheet but could strongly influence the value.

xi. Future services including but not limited to Testimony or attendance in courts/tribunals/ authorities for the opinion of value in the Valuation Report

I/We are fully aware that based on the opinion of value expressed in this report, I/we may be required to give testimony or attend court / judicial proceedings with regard to the subject assets, although it is out of scope of the assignment, unless specific arrangements to do so have been made in advance, or as otherwise required by law. In such event, the party seeking our evidence in the proceedings shall bear the cost/professional fee of attending court / judicial proceedings and my / our tendering evidence before such authority shall be under the applicable laws.

xii. Others:-

- While our work has involved an analysis of financial information and accounting records, our engagement does not include an audit in accordance with generally accepted auditing standard of the client existing business records. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and on behalf of you and the client. Our report is subject to scope and limitations detailed hereinafter. As such the report is to be read in totality, and not in parts, in conjunction with the relevance documents referred to herein and in the context of the purpose for which it is made.
- The valuation of companies and business is not a precise science and the conclusions arrived at in many cases will be subjective and dependent on the exercise of individual judgement.
- The actual market price achieved may be higher or lower than our estimate of [value/range] depending upon the circumstances of the transaction (for example the competitive bidding environment), the nature of the business (for example the purchaser's perception of potential synergies).
- The knowledge, negotiating ability and motivation of the buyers and sellers and the applicability of a discount or premium for control will also affect actual market price achieved. Accordingly, our valuation conclusion will not necessarily be the price at which any agreement proceeds. The final transaction price is something on which the parties themselves have to agree. We also emphasize that our opinion is not the only factor that should be considered by the parties in agreeing the transaction price.
- An analysis of such nature is necessarily based on the prevailing stock market, financial, economic and other conditions general and industry trends in particular as in effect on and the information made available to us as of, the date hereof. Events occurring after the date hereof may affect this report and

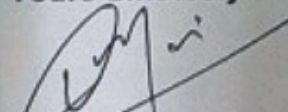


CA VAIBHAV JAIN
Registered Valuer (SFA)

the assumptions used in preparing it, and we do not assure any obligation to update, revise or reaffirm this Report.

- The ultimate analysis will have to be tempered by the exercise of judicious discretion by the RVs and judgement taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield of comparable securities, market sentiment, etc. which may not be apparent from the face of the Balance Sheet but could strongly influence the value.
- In the course of the valuation, we were provided with both written and verbal information. We have however, evaluated the information provided to us by the Company through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement.
- Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the management and same was reasonably checked on the basis of historical data and business & industry overview.
- We are independent of the client/company and have no current or expected interest in the Company or its assets. The fee paid for our services in no way influenced the results of our analysis.
- We assume no responsibility for legal matters including interpretations of either the law or contracts. We have not made any investigations of legal titles and has assumed that all owners' claims to the assets are valid. We have assumed that all required licenses, permits etc. are in full force and effective. We assume that all applicable federal, state, local laws and regulations have been and continue to be complied with by the subject company. We assume no responsibility for the acceptability of the valuation approach used in our report as legal evidence in any particular court or jurisdiction. The suitability of our report and opinion for any legal forum is a matter for client to determine.
- Our report is meant for the purpose mentioned above and should not be used for any purpose other than the purpose mentioned therein. The Report should not be copied or reproduced without obtaining our prior written approval for any purpose other than the purpose for which it is prepared.

Yours Sincerely



CA Vaibhav Jain
 Registered Valuer (SFA)
 IBBI Registration No- IBBI/RV/05/2021/14249
 UDIN-23413624BGXQZJ7515



JAWA CAPITAL SERVICES PRIVATE LIMITED

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(Formerly known as Intellicity Capital Advisers Private Limited)

CIN: U74140DL2005PTC137680

Regd. Office: Plot No. 93, F/F, Pocket-2, Near DAV School, Jasola, Delhi 110025

Email Id: info@intellicitycapital.com; Contact No.: 011-47366600

To,
The Board of Directors,
MFL India Limited
94/4, UG-F, UG-9, Village Patparganj,
Delhi- 110091

Dear Sir(s),

Sub: Non Requirement of Fairness Opinion in relation to the proposed Scheme of Reduction of Capital between MFL India Limited (the "Company") and its Shareholders.

It is a pleasure to attach our Certificate for non-requirement of Fairness Opinion in relation to the proposed Scheme of Reduction of Capital between the Company and its Shareholders as per Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities Contracts (Regulation) Rules, 1957 and Section 66 read with Section 52 of the Companies Act 2013 read with rules made thereunder, if any, and circulars issued by the Securities and Exchange Board of India (SEBI) and National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016.

For Jawa Capital Services Private Limited

(Formerly known as Intellicity Capital Advisers Private Limited)


(ANOOP KUMAR GUPTA)

Director

DIN: 07623497

Address: Plot No. 93, F/F, Pocket-2, Near DAV School, Jasola, Delhi 110025

Date: September 05, 2023

Place: New Delhi

ANNEXURE-E

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MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Website: www.mflindia.co.in

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED IN THE BOARD MEETING OF THE BOARD OF DIRECTORS OF MFL INDIA LIMITED HELD ON SATURDAY, THE 4th DAY OF SEPTEMBER, 2021 AT 12:30 PM AT THE REGISTERED OFFICE OF THE COMPANY.

1. Reduction of Share Capital of the Company

“RESOLVED THAT pursuant to Section 52, Sections 66, and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (“the Rules”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Article 61 of the Articles of Association of the Company and subject to approval of shareholders and subject to confirmation by the Hon'ble National Company Law Tribunal, New Delhi Bench (“NCLT”), approvals as may be required from the appropriate authorities and the consent of the creditors as may be required, the approval of the members be and is hereby accorded to the Scheme of reduction of capital (“the Scheme”) of the Company by way of reduction of paid-up share capital of the Company from Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each, consequently total issued, subscribed and paid up share capital of the company shall be reduced to Rs. 3,60,29,200 and such cumulative reduction would be effected by writing off the Accumulated Losses of Rs 32,42,62,800/- on the Effective Date of the draft Scheme of Reduction of capital (“Scheme”).”

“RESOLVED FURTHER THAT the Scheme providing reduction of share capital of the Company as submitted to the BSE Limited, designated stock exchange for observations and / or Securities and Exchange Board of India, be and is hereby approved.”

“RESOLVED FURTHER THAT effective from the date of the confirmation of the Scheme by NCLT, New Delhi and all other approvals from any other appropriate authorities as may be required, the consent and approval of the members be and is hereby accorded to the reduction of the paid-up share capital as it stands on the date of such confirmation is Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each.

“RESOLVED FURTHER THAT subject to confirmation of the Scheme by NCLT, New Delhi Bench, and all other approvals from any other appropriate authorities, the Company be and is hereby not required to add the words “And Reduced” to its name subsequent to such reduction of capital of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (“the Board”), the Chief Financial Officer and the Company Secretary be and is hereby authorized to take all necessary steps and do all such acts, deeds, matters and things, as they may, in including issuing any directions for settling any question or doubt or difficulty whatsoever that may arise, for the

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[Handwritten signature]



MFL India Limited

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purpose of giving effect to the reduction of capital, or to any modification thereof without being required to seek any further consent or approval of the members or otherwise.”

“RESOLVED FURTHER THAT Mr. Anil Thukral, Managing Director and Mr. Khemraj, Chief Financial Officer or Ms. Kanika Gangal, Company Secretary & Compliance Officer be and are hereby authorized severally to take all necessary steps for effecting the said Scheme of reduction of capital of the Company, including but not limited to:

- a. Finalizing, amending and settling the draft scheme, application / petition, and assent to such alterations, conditions and modifications, if any, or effect any other modification or amendment as the Board of Directors of the Company may consider necessary or desirable to give effect to the proposed reduction of share capital;
- b. Filing any affidavit, petition, pleading, application, form or reports before NCLT or any other statutory or regulatory authority including the concerned stock exchanges, SEBI, the Registrar of Companies, the Regional Director or such other authority as may be required in connection with the proposed reduction of capital or its sanction thereof and to do all such acts and deeds as they may deem necessary in connection therewith and incidental thereto;
- c. Making such alterations and changes in the scheme, application to be made to NCLT, as the conditions / requirement imposed by NCLT, SEBI and/or any other statutory /regulatory authorities, as may be required, provided that prior approval of the Board shall be obtained for making any material changes in the said application.
- d. Signing all applications, petitions, affidavits, undertakings, documents, letters relating to the proposed reduction of capital and represent the Company before the NCLT and any other authorities in relation to any matter relating to the proposed reduction of capital or delegate such authority to any other person through a valid power of attorney;
- e. To verify, sign, deal, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, undertake, record all deeds, declarations, instruments, vakalatnamas, applications, petitions, affidavits, objections, notices and writings whatsoever as may be usual, necessary, proper or expedient and all manner of documents, petitions, affidavits and applications under the applicable laws including Companies Act, 2013, and Rules made thereunder and other applicable laws/regulations in relation to the aforesaid matter and to represent the Company in all correspondences, matters and proceedings and any nature whatsoever in relation to the above;
- f. To authenticate any document, instrument, proceeding and record of the Company
- g. Obtaining the requisite approval and/or consents of the shareholders, secured lenders of the Company, bank, financial institutions and other regulatory authorities or entities or agencies as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps as may be required from time to time in that behalf.

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**MFL India Limited**

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Website: www.mflindia.co.in

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- h. To engage any counsel, consultant firms, advocates, attorneys, pleaders, solicitors, valuers, auditors, accountants, registrars or any other one or more agencies, as may be required in relation to or in connection with the proposed reduction of share capital, on such terms and conditions as they may deem fit, finalize fees, terms and conditions of their appointment letter(s), furnish such information as may be required by them and also to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings and other related documents in favour of the concerned authorities, advocates or any one or more persons or firms as they may deem fit and to do all such acts, deeds and things as they may deem fit and as may be necessary in this regard.
- i. Incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them.
- j. Make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in this resolution.
- k. Consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent / required to be sent to concerned authorities on behalf of the Company
- l. To file requisite forms with the Registrar of Companies in connection with the proposed reduction of share capital during and after the process of sanction thereof
- m. Sign, execute and deliver such documents as may be necessary and do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect for the purpose of the above resolutions or to otherwise give effect to the transactions contemplated as aforesaid
- n. To do all such acts and things and deal with all such matters and take all steps as may be necessary including any modification, if required, and do all such other acts, matters deeds and things necessary, proper or desirable in connection with or incidental to giving effect to the purposes of this Resolution.
- o. To give such directions as they may think fit and proper, including directions for settling any questions or difficulties that may arise and to do all acts, deeds and tasks, as may be deemed necessary, expedient or proper to give effect to the proposed reduction of capital and for matters connected there with or incidental thereto.

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**MFL India Limited**

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Website: www.mflindia.co.in

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“RESOLVED FURTHER THAT the Board be and is hereby authorized, in its absolute discretion, to bring into effect this resolution on such other terms and conditions as it may consider appropriate and to accept such other conditions and modifications as may be prescribed by the NCLT and other appropriate authorities while according their confirmation or consent to this resolution or to suspend, withdraw or revive the proposal for reduction of capital from time to time as may be specified by any statutory authority or as the Board may suo-moto decide.”

By order of Board of Directors
For MFL India Limited

Mr. Anil Thukral
Managing Director
DIN: 01168540

Date: 04.09.2021
Place: Delhi

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ANNEXURE-F



MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Website: www. mflindia.co.in

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NOTICE

Notice is hereby given that 38th Annual General Meeting of the members of MFL India Limited will be held on Thursday, 30th September, 2021 at 09:00 A.M at G-1, Ground Floor, Well King Towers, 94/4, Main Market, Patparganj, Mayur Vihar, Phase-I, Delhi-110091 to transact the following businesses.

Ordinary Business:

Item No.1

To receive, and adoption of Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021 including Balance Sheet, Statement of Profit & Loss and the Reports of Auditors and Directors thereon and cash Flow Statements.

Item No. 2

To appoint a Director in place of Mr. Nawab Khan (DIN: 08065674) who retires by rotation and, being eligible, offers himself for re-appointment.

Special Business:

Reduction of Share Capital of the Company:

3. To consider and, if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 52, Sections 66, and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (“the Rules”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Article 61 of the Articles of Association of the Company and subject to confirmation by the Hon’ble National Company Law Tribunal, New Delhi Bench (“NCLT”), approvals as may be required from the appropriate authorities and the consent of the creditors as may be required, the approval of the members be and is hereby accorded to the Scheme of reduction of capital (“the Scheme”) of the Company by way of reduction of paid-up share capital of the Company from Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each, consequently total issued, subscribed and paid up share capital of the company shall be reduced to Rs. 3,60,29,200 and such cumulative reduction would be effected by writing off the Accumulated Losses of Rs 32,42,62,800/- on the Effective Date of the draft Scheme of Reduction of capital (“Scheme”).”

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“RESOLVED FURTHER THAT the Scheme providing reduction of share capital of the Company as submitted to the BSE Limited, designated stock exchange for observations and / or Securities and Exchange Board of India, be and is hereby approved.”

“RESOLVED FURTHER THAT effective from the date of the confirmation of the Scheme by NCLT, New Delhi and all other approvals from any other appropriate authorities as may be required, the consent and approval of the members be and is hereby accorded to the reduction of the paid-up share capital as it stands on the date of such confirmation is Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each.

“RESOLVED FURTHER THAT subject to confirmation of the Scheme by NCLT, New Delhi Bench, and all other approvals from any other appropriate authorities, the Company be and is hereby not required to add the words “And Reduced” to its name subsequent to such reduction of capital of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (“the Board”), the Chief Financial Officer and the Company Secretary be and is hereby authorized to take all necessary steps and do all such acts, deeds, matters and things, as they may, in including issuing any directions for settling any question or doubt or difficulty whatsoever that may arise, for the purpose of giving effect to the reduction of capital, or to any modification thereof without being required to seek any further consent or approval of the members or otherwise.”

“RESOLVED FURTHER THAT Mr. Anil Thukral, Managing Director and Mr. Khemraj, Chief Financial Officer or Ms. Kanika Gangal, Company Secretary & Compliance Officer be and are hereby authorized severally to take all necessary steps for effecting the said Scheme of reduction of capital of the Company, including but not limited to:

a. Finalizing, amending and settling the draft scheme, application / petition, and assent to such alterations, conditions and modifications, if any, or effect any other modification or amendment as the Board of Directors of the Company may consider necessary or desirable to give effect to the proposed reduction of share capital;

b. Filing any affidavit, petition, pleading, application, form or reports before NCLT or any other statutory or regulatory authority including the concerned stock exchanges, SEBI, the Registrar of Companies, the Regional Director or such other authority as may be required in connection with the proposed reduction of capital or its sanction thereof and to do all such acts and deeds as they may deem necessary in connection therewith and incidental thereto;

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- c. Making such alterations and changes in the scheme, application to be made to NCLT, as the conditions / requirement imposed by NCLT, SEBI and/or any other statutory /regulatory authorities, as may be required, provided that prior approval of the Board shall be obtained for making any material changes in the said application.
- d. Signing all applications, petitions, affidavits, undertakings, documents, letters relating to the proposed reduction of capital and represent the Company before the NCLT and any other authorities in relation to any matter relating to the proposed reduction of capital or delegate such authority to any other person through a valid power of attorney;
- e. To verify, sign, deal, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, undertake, record all deeds, declarations, instruments, vakalatnamas, applications, petitions, affidavits, objections, notices and writings whatsoever as may be usual, necessary, proper or expedient and all manner of documents, petitions, affidavits and applications under the applicable laws including Companies Act, 2013, and Rules made thereunder and other applicable laws/regulations in relation to the aforesaid matter and to represent the Company in all correspondences, matters and proceedings and any nature whatsoever in relation to the above;
- f. To authenticate any document, instrument, proceeding and record of the Company
- g. Obtaining the requisite approval and/or consents of the shareholders, secured lenders of the Company, bank, financial institutions and other regulatory authorities or entities or agencies as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps as may be required from time to time in that behalf.
- h. To engage any counsel, consultant firms, advocates, attorneys, pleaders, solicitors, valuers, auditors, accountants, registrars or any other one or more agencies, as may be required in relation to or in connection with the proposed reduction of share capital, on such terms and conditions as they may deem fit, finalize fees, terms and conditions of their appointment letter(s), furnish such information as may be required by them and also to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings and other related documents in favour of the concerned authorities, advocates or any one or more persons or firms as they may deem fit and to do all such acts, deeds and things as they may deem fit and as may be necessary in this regard.
- i. Incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them.
- j. Make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in this resolution.

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MFL India Limited

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k. Consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent / required to be sent to concerned authorities on behalf of the Company

l. To file requisite forms with the Registrar of Companies in connection with the proposed reduction of share capital during and after the process of sanction thereof

m. Sign, execute and deliver such documents as may be necessary and do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect for the purpose of the above resolutions or to otherwise give effect to the transactions contemplated as aforesaid

n. To do all such acts and things and deal with all such matters and take all steps as may be necessary including any modification, if required, and do all such other acts, matters, deeds and things necessary, proper or desirable in connection with or incidental to giving effect to the purposes of this Resolution.

o. To give such directions as they may think fit and proper, including directions for settling any questions or difficulties that may arise and to do all acts, deeds and tasks, as may be deemed necessary, expedient or proper to give effect to the proposed reduction of capital and for matters connected therewith or incidental thereto.

"RESOLVED FURTHER THAT the Board be and is hereby authorized, in its absolute discretion, to bring into effect this resolution on such other terms and conditions as it may consider appropriate and to accept such other conditions and modifications as may be prescribed by the NCLT and other appropriate authorities while according their confirmation or consent to this resolution or to suspend, withdraw or revive the proposal for reduction of capital from time to time as may be specified by any statutory authority or as the Board may suo-moto decide."

By order of Board of Directors
For MFL India Limited

For MFL India Limited

Mr. Anil Thukral
Managing Director
DIN: 01168540

Date: 04.09.2021
Place: Delhi

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MFL India Limited

(CIN: L63040DL1981PLC012730)

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Website: www.mflindia.co.in

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Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY MAY BE SEND IN THE FORM ENCLOSED AND IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY COMPLETE IN ALL RESPECT NOT LESS THAN 48 HOURS BEFORE THE MEETING. THE PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING. A BLANK PROXY FORM IS ENCLOSED FOR USE, IF NECESSARY, BY THE MEMBER.
2. Shareholders are requested to promptly notify any change in their addresses.
3. The Register of Members and Share transfer books of the company shall remain closed from 24th September, 2021 to 30th September, 2021 (both days inclusive).
4. Members/ Proxies should bring the attendance slips duly filled in for attending the meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.
5. Member(s) can opt for only one mode of voting either physical voting at the annual general meeting, or voting through E- Voting/ Ballot. A member, who has voted through E-Voting mechanism, is not debarred from participating in the general meeting physical. However, he shall not be allowed to vote in the meeting again and his earlier vote (cast through e-means) shall be treated as final.
6. It will be appreciated that queries, if any, on accounts and operations of the company are sent to the registered office of the company ten days in advance of the meeting so that the information may be made readily available.
7. Electronic copy of the Annual Report for the financial year 2020-21 is being sent to the shareholders whose email address are registered with the company or depository participants for communication with the company.

The shareholders whose email is not registered with the company, the Annual Report is sent to them in permitted mode.
8. Members are requested to bring their copy of Annual Report to the Meeting.
9. Voting through electronic means;

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MFL India Limited

{CIN: L63040DL1981PLC012730}

Regd. Office: 94/4, UG-F, UG-9, Village Patparganj, Delhi 110091

Website: www.mflindia.co.in

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(a) In compliance with provision of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Service provided by Central Securities Depository Limited (CSDL).

(b) The instructions for e-voting are as under:

The instructions for members for voting electronically are as under:

In case of member's reliving- mail:

(i) Log on to the e-voting website www.evotingindia.com during the voting period

(ii) Click on "Shareholders" tab.

(iii) Now, select the "COMPANY NAME" from the dropdown menu and click on "SUBMIT"

(iv) Now enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.

(v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

(vi) Now, fill up the following detail in the appropriate boxes:

For Members holding shares in Demat Form enter your 10 digit alpha-numeric *PAN said demat account or folio in dd/mm/yyyy format. The Dividend Bank Data as recorded in your demat account or in the company DOB Bank records for the said demat account or folio both demat shareholders as well as physical shareholders. Enter the Date of Birth as recorded in your demat account or in the company records for the Members who have not updated their PAN with the Company Depository Participant are requested to use the first two letters of your name and the sequence number in the PAN Field. E.g. If your name is Ramesh Kumar with sequence number 1 then enter RAOOOOOOOO1 in the PAN Field. Sequence no. will be provided as S1 No in your address Label. # please enters any one of the details in order to low. In case both the details are not recorded with the depository or company Please enter the member id /folio number in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

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MFL India Limited

(CIN: L63040DL1981PLC012730)

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(vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members

(viii) Holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their low password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are legible to vote, provided that company opts for e'-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Click on <Company Name> on which you choose to vote.

(x) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution. Click on the "Resolutions File Link if you wish to view the entire Resolutions.

(xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly mode your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page. If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.

(xiii) Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on <https://www.evotingindia.co.in> and register themselves as Corporate. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to vary the same.

(xiv) In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) To 91. No. (xvii) Above to cast vote.

(B) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the company, holding shares either in physical form or in dematerialized

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form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and E-voting manual available at www.evotingindia.co.in under help section or write an email to Helpdesk.evoting@cdslindia.com.

(xv) The e-Voting Period commences on 27th September 2021 (9:00 AM) and ends on 29th September, 2021 (5:00 PM). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled CDSL for voting thereafter. Once the decision on a Resolution is cast by the shareholder, the shareholder not be allowed to change it subsequently. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Mr. Amit Agrawal, Practicing Company Secretary (Membership No.5311) and has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the Votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the Votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Results shall be declared in the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be Placed on the company' in and the website of CDSL within two (2) days of passing of the resolutions at The AGM of the Company and communicated to the BSE Limited.

10. Explanatory statement of item no. 3 pursuant to section 102 of the Companies Act, 2013 is annexed to the notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3: Reduction of Share Capital of the Company.

The proposed reduction of capital is pursuant to Section 66, Section 52 and other applicable provisions of the Companies Act, 2013 ('the Act') and the rules made thereunder ("the Rules") (including any statutory modification (s) or re-enactment (s) thereof for the time being in force) and pursuant to Article 3(2)(c) of the Articles of Association of the Company and subject to confirmation by the Hon'ble National Company Law Tribunal, Bengaluru bench ("NCLT").

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1. BACKGROUND

The issued, subscribed and paid-up capital of the Company is Rs. 36,02,92,000/- comprising of 36,02,92,000 equity shares of Re. 1/- each and the securities premium is Rs. Nil, based on the unaudited standalone financial statements for the period ended August 28, 2021. Further, these financial statements reflect accumulated losses (i.e., debit balance of profit and loss account) of Rs. 37,37,15,381/- for the period ended August 28, 2021. Such accumulated losses have substantially wiped off the value represented by the share capital.

Considering the future prospects of growth and value addition to the Company and its shareholders, it is proposed to re-align the relationship between its capital and assets in accordance with Section 52 and Section 66 of the Companies Act, 2013 read with the National Company Law Tribunal (Procedure for reduction of share capital of Company) Rules, 2016 and other applicable provisions of the Companies Act, 2013 (to the extent applicable), by writing-off the accumulated losses of Rs. 32,42,62,800/- reflecting in the unaudited financial statements of the Company as on August 28, 2021 against the paid-up share capital Account balance of the Company, to have a rational structure which is commensurate with its remaining business and assets.

It is proposed to reduce the paid up capital of the company from Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each, consequently total issued, subscribed and paid up share capital of the company shall be reduced to Rs. 3,60,29,200/-.

2. EFFECT OF THE SCHEME

The proposed reduction of capital by reducing the paid-up equity share of the Company against Accumulated losses, pursuant to the Scheme, shall be reflected in the books of Accounts of the Company, on the Effective date.

The capital structure of the Company pre- and post scheme is reflected in the table below (As on 28.08.2021):

Particulars	Pre-reduction		Post-reduction		
	No of shares	Amount (Rs.)	Particulars	No of shares	Amount (Rs.)
Authorised Share Capital					
Equity shares of face value Re 1/- each	37,00,00,000	37,00,00,000	Equity shares of face value Re 1/- each	3,60,29,200	3,60,29,200

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Preference shares	nil	nil	Preference shares	nil	nil
Issued, subscribed and paid up Share Capital					
Equity shares of face value Re 1/- each	36,02,92,000	36,02,92,000	Equity shares of face value Re 1/- each	3,60,29,200	3,60,29,200

The below table reflects the pre- and post reduction of Securities Premium Account of the Company against its Accumulated Losses (As on 28.08.2021):

Particulars	Pre-reduction (Rs.)	Proposed reduction (Rs.)	Post-reduction (Rs.)
Securities Premium Account	Nil	Nil	Nil
Profit and Loss (Dr) i.e. Accumulated Losses	37,37,15,381	32,42,62,800	4,94,52,581

3. BENEFITS ARISING OUT OF THE SCHEME

- The Scheme, if approved, the books of the Company would better represent its financial position which would help the Company position itself better in the market, and undertake business activities efficiently. This would be value accretive to the Shareholders as well, as their holdings would yield better results.
- The proposed restructuring under the Scheme, if approved, would enable the Company to explore opportunities for the benefit of its Shareholders, including in the form of dividend payments, in terms of the applicable law.
- The Scheme, if approved, may enable the Company to avail business opportunities that it was unable to take advantage of, because of it experiencing Accumulated Losses.
- The reduction of capital in the manner proposed would enable the Company to have a rational structure which is commensurate with its remaining business and assets.
- The Scheme of reduction, after full implementation, will result in making the Company's balance sheet leaner and downsized.

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f. The proposed Scheme would be for the overall benefit of the Company, its creditors, Shareholders and all other stakeholders

g. The proposed Scheme will enable the Company to use a part of the amount which is lying unutilized in the Securities Premium Account of the Company in an effective manner for the benefit of the Company.

h. The Scheme, if approved, would provide greater flexibility to the Company in raising funds either from the capital market or from any Bank/ Financial Institutions in the form of equity or debt, depending upon the business needs of the Company.

5. CAPITAL STRUCTURE AND SHAREHOLDING PATTERN OF THE COMPANY

The pre and post reduction of capital structure and shareholding pattern is as follows:

Pre-reduction			Post-reduction		
Particulars	No of shares	Amount (Rs.)	Particulars	No of shares	Amount (Rs.)
Authorised Share Capital					
Equity shares of face value Re. 1/- each	37,00,00,000	37,00,00,000	Equity shares of face value Re 1/- each	37,00,00,000	37,00,00,000
Preference shares	nil	nil	Preference shares	Nil	nil
Issued, subscribed and paid up Share Capital					
Equity shares of face value Rs 1 each	36,02,92,000	36,02,92,000	Equity shares of face value Rs 10 each	3,60,29,200	3,60,29,200

Shareholding pattern- Pre and post reduction of capital:

Shareholding pattern	Pre Reduction (as on August 28, 2021)		Post Reduction	
	No. of Shares of face value of Re. 1/- each	% of holding	No. of Shares of face value of Re. 1/- each	% of holding
Promoter & Promoter group	15,12,602	0.4198	1,51,260	0.4198
Public	35,87,79,398	99.5802	3,58,77,940	99.5802
Total	36,02,92,000	100	3,60,29,200	100

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There will be no change in the shareholding pattern of the Company pursuant to the proposed Scheme.

5. Reasons for reduction of share capital

- a. The Company was engaged in the business of hire, own, acquire & maintain motor vehicles, airplanes, reefer trucks, reefer trailers, reefer vehicles, reefercontainers, generators & other allied equipments, ships, barges, towage tugs, offshore support vessels ,hovercrafts,railways, containers, cranes, forklifts, reach stakers, loaders, mining machinery & equipment, multi modaltransportation systems, excavators, transit mixers, graders, tippers, tip- trailers ,container trucks, car & twowheeler carriers, trailers, trucks, other material handling equipment, allied equipment, loading & unloadingequipment, HEMM & to establish container freight stations, inland container depots, railway lines / tracks, goodssheds, stockyards, aerodromes & airports, workshops, garages, warehouses, sheds ,distribution centers, cold storages, cold rooms as the demand may be which it may let out, hire, rent, charter, & lease etc for generation of revenue &carrying on of its logistics business.
- b. The company is running the fleet of Trucks on wholesale freight basis, due to the decline in the demand the company has suffered the losses and consequent upon such losses the company has failed to pay the EMI of the lenders , resultantly the company account has been declared as NPA and the lender has recalled their facilities and They have taken symbolic possession of the assets of the company mortgaged with them and have communicated their stand to the debtors of the company. The business of the company has been discontinued/disrupted because of the above said affects. After the said repossession of the assets, The Company has generated cash losses and the net worth of the company has been fully eroded, and current liabilities are substantially higher than current assets.
- c. The directors of the company has chalk out the plan for the revival of the business of the company and for the purpose they are in negotiation with the number of strategic investors to make the investments in the company. However, utmost all the investors have made the conditions that the company should write off its losses by reduction of its share capital so that the assets of the company should be properly represented in the company's financial statement. After the reduction of the capital , the company is planning to raise the capital of the company so that the business of the company can be bring back on the path of success and value of the stake holders of the company can be enhanced on optimum level.
- d. The reduction of share capital would cause the balance sheet to bring in true and fair representation of the Company by the available assets of the Company and reflect the real financial position of the Company.
- e. The reduction of capital does not involve any cash out flow as the shares are getting extinguished against the debit balance of profit and loss account.

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- f. The reduction of share capital would place the company in a position to pay dividend in future or raise further capital in future.

6. OTHERS

Notwithstanding the reduction as mentioned above, the Company will be praying before the NCLT that the Company be exempted to add "And Reduced" as a suffix to its name and the Company shall continue its existing name considering that no payout is being made to any existing members and the Company will be able to discharge its liability in the due course of business.

The Special Resolution, if approved by the members of the Company with requisite majority, will be subject to the confirmation by National Company Law Tribunal as per Section 66(3) of the Companies Act, 2013 read with the National Company Law Tribunal (Procedure for reduction of share capital of company) Rules, 2016.

In relation to above, the Audit committee and the Board of Directors of the Company approved the draft Scheme at its respective meetings held on September 04, 2021. The Company had filed necessary applications before BSE for seeking their no-objection to the Scheme.

A copy of the Scheme along with the related documents, setting out in detail the terms and conditions of the proposed Scheme which has been duly approved by the Audit Committee and the Board of Directors of the Company at its meetings held on September 04, 2021, along with the documents submitted to the BSE, have been uploaded on the website of the Company at [https:// www.mflindia.co.in](https://www.mflindia.co.in).

The status of the complaints received by the company as below:

Sl. No	Particular	Number
1	Number of complaints received directly	Nil
2	Number of complaints forwarded by Stock Exchanges /SEBI (till the date)	Nil
3	Total Number of complaints/comments received (1+2)	Nil
4	Number of complaints resolved	Nil
5	Number of complaints pending	Nil

Further the "Fairness Opinion" obtained from Intellicity Capital Advisers Private Limited, Merchant Bankers, certifies that the Scheme of reduction of capital is fair and reasonable, which is enclosed as Annexure 2. The fairness opinion and the valuation report on shares has been uploaded on the website of the Company at [https:// www.mflindia.co.in](https://www.mflindia.co.in).

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[Handwritten signature]

**MFL India Limited**

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6. GENERAL INFORMATION AND DISCLOSURES

i. Article 61 of the Articles of Association of the Company provides for the reduction of capital of the Company in any manner authorized by the applicable law.

ii. The Reduction of Capital will not cause any prejudice to the creditors of the Company. The creditors of the Company are in no way affected by the proposed Reduction of capital, as there is no payout to the members of neither the Company nor a reduction in the amount payable to any of the creditors. Further, the proposed Capital Reduction will not have any impact on the operations of the Company or the ability of the Company to honour its commitment to pay its debts in the ordinary course of business.

iii. No inquiry or investigation is pending against the Company under any provisions of Companies Act, 2013.

All documents referred to in the accompanying Special Resolution and Statement **Annexed** thereto are made available on the Company's website at [https:// www.mflindia.co.in](https://www.mflindia.co.in) and would also be available for inspection to the members at the Registered Office of the Company on all working days during the office hours (09:00 AM – 05:00 PM) till the last date for receipt of the forms from the members, subject to lockdown guidelines.

The Board recommends the Special Resolution for members' approval.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way deemed to be interested or concerned in this Resolution.

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[Signature]



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EXTRACT OF THE RESOLUTION PASSED BY THE MEMBERS IN THE ANNUAL GENERAL MEETING HELD ON THURSDAY, 30TH DAY OF SEPTEMBER, 2021 AT 09:00 A.M AT UG-9, WELL KING TOWERS, 94/4, MAIN MARKET, PATPARGANJ, MAYUR VIHAR, PHASE-I, DELHI-110091 TO TRANSACT THE FOLLOWING BUSINESS.

Item No. 3: Reduction of Share Capital of the Company:

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 52, Sections 66, and other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made thereunder (“the Rules”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to Article 61 of the Articles of Association of the Company and subject to confirmation by the Hon'ble National Company Law Tribunal, New Delhi Bench (“NCLT”), approvals as may be required from the appropriate authorities and the consent of the creditors as may be required, the approval of the members be and is hereby accorded to the Scheme of reduction of capital (“the Scheme”) of the Company by way of reduction of paid-up share capital of the Company from Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each, consequently total issued, subscribed and paid up share capital of the company shall be reduced to Rs. 3,60,29,200 and such cumulative reduction would be effected by writing off the Accumulated Losses of Rs 32,42,62,800/- on the Effective Date of the draft Scheme of Reduction of capital (“Scheme”).”

“RESOLVED FURTHER THAT the Scheme providing reduction of share capital of the Company as submitted to the BSE Limited, designated stock exchange for observations and / or Securities and Exchange Board of India, be and is hereby approved.”

“RESOLVED FURTHER THAT effective from the date of the confirmation of the Scheme by NCLT, New Delhi and all other approvals from any other appropriate authorities as may be required, the consent and approval of the members be and is hereby accorded to the reduction of the paid-up share capital as it stands on the date of such confirmation is Rs. 36,02,92,000/- (divided into 36,02,92,000 equity shares of Re. 1/- each) to Rs. 3,60,29,200/- (divided into 3,60,29,200 Equity shares of Re. 1/- each) by cancellation of 32,42,62,800 equity shares of Re. 1/- each.

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“RESOLVED FURTHER THAT subject to confirmation of the Scheme by NCLT, New Delhi Bench, and all other approvals from any other appropriate authorities, the Company be and is hereby not required to add the words “And Reduced” to its name subsequent to such reduction of capital of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (“the Board”), the Chief Financial Officer and the Company Secretary be and is hereby authorized to take all necessary steps and do all such acts, deeds, matters and things, as they may, in including issuing any directions for settling any question or doubt or difficulty whatsoever that may arise, for the purpose of giving effect to the reduction of capital, or to any modification thereof without being required to seek any further consent or approval of the members or otherwise.”

“RESOLVED FURTHER THAT Mr. Anil Thukral, Managing Director and Mr. Khemraj, Chief Financial Officer or Ms. Kanika Gangal, Company Secretary & Compliance Officer be and are hereby authorized severally to take all necessary steps for effecting the said Scheme of reduction of capital of the Company, including but not limited to:

- a. Finalizing, amending and settling the draft scheme, application / petition, and assent to such alterations, conditions and modifications, if any, or effect any other modification or amendment as the Board of Directors of the Company may consider necessary or desirable to give effect to the proposed reduction of share capital;
- b. Filing any affidavit, petition, pleading, application, form or reports before NCLT or any other statutory or regulatory authority including the concerned stock exchanges, SEBI, the Registrar of Companies, the Regional Director or such other authority as may be required in connection with the proposed reduction of capital or its sanction thereof and to do all such acts and deeds as they may deem necessary in connection therewith and incidental thereto;
- c. Making such alterations and changes in the scheme, application to be made to NCLT, as the conditions / requirement imposed by NCLT, SEBI and/or any other statutory / regulatory authorities, as may be required, provided that prior approval of the Board shall be obtained for making any material changes in the said application.
- d. Signing all applications, petitions, affidavits, undertakings, documents, letters relating to the proposed reduction of capital and represent the Company before the NCLT and any other authorities in relation to any matter relating to the proposed reduction of capital or delegate such authority to any other person through a valid power of attorney;
- e. To verify, sign, deal, swear, affirm, declare, deliver, execute, make, enter into, acknowledge, undertake, record all deeds, declarations, instruments, vakalatnamas,

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applications, petitions, affidavits, objections, notices and writings whatsoever as may be usual, necessary, proper or expedient and all manner of documents, petitions, affidavits and applications under the applicable laws including Companies Act, 2013, and Rules made thereunder and other applicable laws/regulations in relation to the aforesaid matter and to represent the Company in all correspondences, matters and proceedings and any nature whatsoever in relation to the above;

- f. To authenticate any document, instrument, proceeding and record of the Company
- g. Obtaining the requisite approval and/or consents of the shareholders, secured lenders of the Company, bank, financial institutions and other regulatory authorities or entities or agencies as may be required and for that purpose, to initiate all necessary actions and to take other consequential steps as may be required from time to time in that behalf.
- h. To engage any counsel, consultant firms, advocates, attorneys, pleaders, solicitors, valuers, auditors, accountants, registrars or any other one or more agencies, as may be required in relation to or in connection with the proposed reduction of share capital, on such terms and conditions as they may deem fit, finalize fees, terms and conditions of their appointment letter(s), furnish such information as may be required by them and also to sign, execute and deliver all documents, letters, advertisements, announcements, disclosures, affidavits, undertakings and other related documents in favour of the concerned authorities, advocates or any one or more persons or firms as they may deem fit and to do all such acts, deeds and things as they may deem fit and as may be necessary in this regard.
- i. Incur such other expenses as may be necessary with regard to the above transaction, including payment of fees to solicitors, merchant bankers, advisors, valuers, registrars and other agencies and such other expenses that may be incidental to the above, as may be decided by them.
- j. Make any modifications as they may consider necessary in relation to the procedure and modalities of effecting the transactions contemplated in this resolution.
- k. Consider, approve, sign and execute all other documents, advertisements, announcements, disclosures, etc. which may be sent / required to be sent to concerned authorities on behalf of the Company
- l. To file requisite forms with the Registrar of Companies in connection with the proposed reduction of share capital during and after the process of sanction thereof
- m. Sign, execute and deliver such documents as may be necessary and do all such other acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect for the purpose of the above resolutions or to otherwise give effect to the transactions contemplated as aforesaid

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n. To do all such acts and things and deal with all such matters and take all steps as may be necessary including any modification, if required, and do all such other acts, matters, deeds and things necessary, proper or desirable in connection with or incidental to giving effect to the purposes of this Resolution.

o. To give such directions as they may think fit and proper, including directions for settling any questions or difficulties that may arise and to do all acts, deeds and tasks, as may be deemed necessary, expedient or proper to give effect to the proposed reduction of capital and for matters connected therewith or incidental thereto.

“RESOLVED FURTHER THAT the Board be and is hereby authorized, in its absolute discretion, to bring into effect this resolution on such other terms and conditions as it may consider appropriate and to accept such other conditions and modifications as may be prescribed by the NCLT and other appropriate authorities while according their confirmation or consent to this resolution or to suspend, withdraw or revive the proposal for reduction of capital from time to time as may be specified by any statutory authority or as the Board may suo-moto decide.”

By order of Board of Directors
MFL India Limited

Anil Thukral
Managing Director
DIN: 01168540

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MFL India Limited

CIN: L63040DL1981PLC0 127 30

Contact No +91-11-41425137

E-Mail: helpdesk@mflindia.in

Website: ww.mflindia.info

Dear Sir(s),

With reference to your email dated 19.07.2023 regarding Regulation 37- Scheme of reduction of capital- MFL India Ltd (Urgent), in which your good selves asked for the precedent cases where the number of shares held by the shareholders have been reduced pursuant to capital reduction.

In this regard, we would like to submit as under:

1. That while going through the BSE website, we have come across the number of cases of reduction of capital in which the number of shares held by the shareholders has been reduced by cancelling the issued shares. The gist of some cases has been summarised below for your good selves' ready reference:

Sl. No.	Description of Scheme and the name of the Company	Salient feature of Scheme	Clause No. of the drat scheme	Date of Approval letter by BSE
1	SCHEME FOR REDUCTION OF SHARE CAPITAL BETWEEN <u>ESCORTS LIMITED</u> AND ITS SHAREHOLDERS UNDER SECTION 66 READ WITH SECTION 52 AND OTHER APPLICABLE SECTIONS OF THE COMPANIES ACT, 2013 AND NATIONAL	The paid capital of the company has been reduced by cancellation of 2,09,42,343 equity shares of Rs. 10 each. The relevant screen shot is below:	6.2	29.06.2022

		COMPANY LAW TRIBUNAL (PROCEDURE FOR REDUCTION OF SHARE CAPITAL OF COMPANY) RULES, 2016			
--	--	--	--	--	--

Particulars	As on date of approval of the Scheme		Post Capital reduction in terms of this Scheme	
	Number of Equity shares	Amount (INR)	Number of Equity shares	Amount (INR)
Authorized equity share capital	40,10,00,000	401,00,00,000	40,10,00,000	401,00,00,000
Authorized Unclassified Share Capital	88,80,00,000	888,00,00,000	88,80,00,000	888,00,00,000
Paid-up equity share capital	13,19,40,604	131,94,06,040	11,04,98,261	110,49,82,610

Sl. No.	Description of Scheme and the name of the Company	Salient feature of Scheme	Clause No. of the draft scheme	Date of Approval letter by BSE
2	SCHEME FOR REDUCTION OF SHARE CAPITAL BETWEEN <u>MAHAN INDUSTRIES LIMITED</u> AND ITS SHAREHOLDERS UNDER SECTION 66 READ WITH SECTION 52 AND OTHER APPLICABLE SECTIONS OF THE COMPANIES ACT, 2013 AND NATIONAL COMPANY LAW TRIBUNAL (PROCEDURE FOR REDUCTION OF SHARE CAPITAL OF COMPANY) RULES, 2016	The paid capital of the company has been reduced by cancellation of 3,24,00,000 equity shares of Rs. 10 each. The relevant screen shot is below:	4.3	29.11.2022

- 4.3 On the Effective date and after securing necessary approvals and permissions the Company shall reduce its fully paid up equity share capital from Rs. 36,00,00,000 (Thirty Six Crore) divided in to 3,60,00,000 (Three Crore Sixty lacs) Equity Shares of Rs. 10/- each to Rs. 3,60,00,000 (Three crore Sixty lacs) divided in to 36,00,000 (Thirty Six lacs) Equity share of Rs. 10/- each. The accumulated losses of Rs. 32,71,63,365 (Rupees Thirty Two crore Seventy one lac sixty three thousand three hundred sixty five) will be set of to the extent of the share capital cancelled i.e. 90 % of Rs. 36,00,00,000 (Thirty Six Crore) which will amount to Rs. 32,40,00,000 (Thirty Two Crore Forty Lacs) with effect from the appointed date.

Sl. No.	Description of Scheme and the name of the Company	Salient feature of Scheme	Clause No. of the draft scheme	Date of Approval letter by BSE
3	SCHEME FOR REDUCTION OF SHARE CAPITAL OF <u>PREM SOMANI FINANCIAL SERVICES LIMITED</u> AND ITS SHAREHOLDERS AND CREDITORS UNDER SECTION 66 AND OTHER APPLICABLE SECTIONS OF THE COMPANIES ACT, 2013 AND NATIONAL COMPANY LAW TRIBUNAL (PROCEDURE FOR REDUCTION OF SHARE CAPITAL OF COMPANY) RULES, 2016	The paid capital of the company has been reduced by cancellation of 24,44,516 equity shares of Rs. 10 each. The relevant screen shot is below:	4.3	13.05.2022

3. The proposed reduction of capital under section the Act read with the applicable regulations shall be reflected in the books of accounts of the company in the following manner as on the effective date.

S. No.	Particulars	As on March 31, 2021	Post Reduction
1.	Authorized Share Capital a) No. of Shares b) Amount	70,00,000 Equity Shares of Rs. 10 Each/- Rs. 7,00,00,000/-	70,00,000 Equity Shares of Rs. 10 Each/- Rs. 7,00,00,000/-
2.	Issued & Subscribed Share Capital a) No. of Shares b) Amount	33,03,400 Equity Shares of Rs. 10 Each/- Rs. 3,30,34,000 /-	8, 58, 884 Equity Shares of Rs. 10 Each/- Rs. 85, 88, 840 /-
3.	Paid up Share Capital a) No. of Shares b) Amount	33,03,400 Equity Shares of Rs. 10 Each/- Rs. 3,30,34,000 /-	8, 58, 884 Equity Shares of Rs. 10 Each/- Rs. 85, 88, 840 /-

Sl. No.	Description of Scheme and the name of the Company	Salient feature of Scheme	Clause No. of the draft scheme	Date of Approval letter by BSE
4	SCHEME FOR REDUCTION OF SHARE CAPITAL OF <u>COROMANDAL ENGINEERING COMPANY LIMITED</u> AND ITS	The paid capital of the company has been reduced by cancellation of 28,35,630 preference	4.5	24.03.2023

	SHAREHOLDERS UNDER SECTION 66 AND OTHER APPLICABLE SECTIONS OF THE COMPANIES ACT, 2013 AND NATIONAL COMPANY LAW TRIBUNAL (PROCEDURE FOR REDUCTION OF SHARE CAPITAL OF COMPANY) RULES, 2016	shares of Rs. 10 each. The relevant screen shot is below:		
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4.5. Upon this Scheme becoming effective, the Company shall, without any further application, act, instrument or deed, give effect to the Capital Reduction and set-off the Accumulated Losses of the Company in the manner contemplated under this Scheme. The revised structure of the Share Capital of the Company shall be reflected in the books of accounts of the Company in the following manner on and from the Effective Date:

Capital Structure of the Company Prior-to and Post-Reduction is as under:

Particulars	Pre - Reduction Amount (In Rs.)	Post - Reduction Amount (In Rs.)
Authorized Share Capital		
Equity Shares (4,00,00,000 Shares of Rs.10/- each)	40,00,00,000	40,00,00,000
Preference Shares (32,00,000 Shares of Rs.100/- each)	32,00,00,000	32,00,00,000
Total	72,00,00,000	72,00,00,000
Issued Capital		
Equity Shares (3,32,77,278 Shares of Rs.10/- each)	33,27,72,780	33,27,72,780
Preference Shares (28,35,630 Shares of Rs. 100/- each)	28,35,63,000	0.00
Subscribed and Paid-up Capital		
Equity Shares (3,32,33,598 Shares of Rs.10/- each)	33,23,35,980	33,23,35,980
Preference Shares (28,35,630 Shares of Rs. 100/- each)	28,35,63,000	0.00
Total	61,58,98,980	33,23,35,980

2. Further, we would like to draw your kind attention towards the provision of Section 66(1) of the Companies Act, 2013 which talk about the manner of reduction of the share capital of the company. The text of the Section 66 (2) is given below for your ready reference:

66. Reduction of share capital.

(1) Subject to confirmation by the Tribunal on an application by the company, a company limited by shares or limited by guarantee and having a share capital may, by a special resolution, reduce the share capital in any manner and in, particular, may—

(a) extinguish or reduce the liability on any of its shares in respect of the share capital not paid-up; or

(b) either with or without extinguishing or reducing liability on any of its shares,—

(i) cancel any paid-up share capital which is lost or is unrepresented by available assets; or Emphasise supplied

(ii) pay off any paid-up share capital which is in excess of the wants of the company, alter its memorandum by reducing the amount of its share capital and of its shares accordingly:

Provided that no such reduction shall be made if the company is in arrears in the repayment of any deposits accepted by it, either before or after the commencement of this Act, or the interest payable thereon.

As per clause (b)(i), the company is empower to reduce the share capital by cancellation of shares not lost or unrepresented by the assets of the company.

3. As per scheme of reduction of the share capital of the company, the company shall reduce its equity share capital from 36,02,92,000 (Thirty-six Crore Two Lakhs Ninety-Two Thousand Only) divided into 36,02,92,000 (Thirty-six Crore Two Lakhs Ninety-Two Thousand Only) Equity shares of Re.1/- (Rupee one) to Rs. 3,60,29,200/- (Three Crore Sixty Lakh Twenty-Nine Thousand Two Hundred Only) divided into 3,60,29,200/- (Three Crore Sixty Lakh Twenty-Nine Thousand Two Hundred Only) Equity Shares of Rs. 1/- (Rupees one) each **by cancellation of 32,42,62,800 equity shares of Re 1 each.**

Hence, in view of above, your good selves are requested to grant kind approval for the scheme of the Reduction of capital as the scheme is in compliance of Section 66 of the Companies Act, 2013 and is also supported by the cases of the approval as narrated above.

Thanks and Regards
For MFL India Limited


Anil Thukral
Managing Director
DIN: 01168540